

166-2007

CERTIFIED COPY OF ORDER

STATE OF MISSOURI }
County of Boone } ea.

April Session of the April Adjourned


Term. 20 07

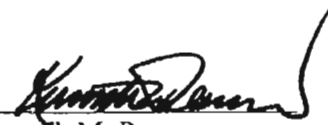
In the County Commission of said county, on the 17th day of April 20 07
the following, among other proceedings, were had, viz:


Now on this day the County Commission of the County of Boone does hereby approve the Option to Acquire Real Estate, as attached, between the City of Columbia and Boone County, Missouri and the Daniel Boone Regional Library Board of Trustees.


Done this 17th day of April, 2007.

ATTEST:


Wendy S. Noren
Clerk of the County Commission


Kenneth M. Pearson
Presiding Commissioner


Karen M. Miller
District I Commissioner


Skip Elkin
District II Commissioner

OPTION TO ACQUIRE REAL ESTATE

THIS OPTION AGREEMENT (“this Agreement” or “this Contract”) is made and entered into this 6th day of April, 2007, (“the Date of this Agreement”) by and between **the City of Columbia, Missouri**, a municipal corporation of the State of Missouri (“the City”) and **Boone County, Missouri** (“the County”) [the City and the County being hereinafter collectively referred to as “Optionor”] and **the Daniel Boone Regional Library Board of Trustees**, a municipal corporation created pursuant to Sections 70.210 through 70.230 of the Revised Statutes of Missouri (“Optionee”).

[Optionor and Optionee may hereinafter be collectively referred to as “the Parties” and individually as a “Party”.]

RECITALS

This Agreement is made and entered into by Optionor and Optionee in view of the following facts, matters and circumstances:

Optionee is a municipal corporation created pursuant to Section 70.210 through 70.230 of the Revised Statutes of Missouri. Pursuant to such Sections of the Missouri Statutes, the Columbia Library District, the Boone County Library District (“the County Library District”), and the Callaway County Library District, have associated together for purposes of operating a regional library and regional library facilities.

Optionee, or the County Library District (pursuant to agreements between Optionee and the County Library District), is planning to build two (2) new library facilities for Optionee, with one to be in Ashland, Missouri and the other to be in the northern City of Columbia metropolitan area.

Optionee and the County Library District have determined that a parcel of land owned by Optionor, consisting of between six and ten acres of what is known as the “Atkins’ Tract,” would be an area of preference for the library site in the northern Columbia metropolitan area. The Atkins’ Tract Land is jointly owned by the City and the County, and was a gift of Tom Atkins under the condition that the land be used for youth services. Mr. Atkins supports a branch library as a youth services option, and has testified to such fact at a hearing before the County Commission of the County held in July, 2006.

Residential developments, some underway and some planned, which surround the Atkins’ Tract, have led to the planned construction of an extension of Waco Road westward from Brown Station Road to Prathersville Road (“the Waco Road Extension”). This extension will create a northern portion of the Atkins’ Tract. The northern parcel contains approximately six to ten acres, which is the parcel of specific interest to Optionee and the County Library District. Optionee and the County Library District desire to construct on such parcel a library facility of between 15,000 and 20,000 square feet, with the earliest possible date for beginning construction of such facility to be the first quarter of 2009.

The Waco Road Extension will require private landowner/developer contributions of public right-of-way and road construction, as well as contributions from the City and the County.

It is anticipated that the Atkins' Tract will be annexed into the City.

That portion of the Atkins' Tract that is the subject matter of Optionee's interest is shown and described on that plat or drawing which is attached hereto as **Exhibit A**. The land and property which will be the subject matter of the following agreements is that generally shown on **Exhibit A**. The property generally shown and described on **Exhibit A** is sometimes referred to herein as "the Land." The legal description of such Land will, subject to the determination by the Survey and the Plat hereinafter described in this Contract, but will be the Portion of the Atkins' Tract that will be located on the north side of the Waco Road Extension.

In order for the Land to be suitable for Optionee's Intended Use of the Land for the library facility hereinabove described, the following must occur:

- a. Optionee must obtain approval by the voters of an operating levy tax increase;
- b. The Waco Road Extension must be accomplished in order to provide access to the Land;
- c. The Land must be annexed into the City, or Optionee must be otherwise assured that adequate sewer services and other necessary utility services will be available to the Land;
- d. The Land must be platted and zoned, and must fall within a Zoning District of the City (if the Land is annexed to the City) or a Zoning District in the County, in order to allow for Optionee's Intended Use of the Property, as such Intended Use is hereinafter described in this Agreement.

Optionee has proposed to Optionor that Optionor agree to provide the Land to Optionee, at no cost to Optionee, but with Optionee's being required to contribute to Optionor One Hundred Sixty-five Thousand Dollars (\$165,000.00), which is a portion of the cost that it is anticipated will be incurred by Optionor for purposes of accomplishing the Waco Road Extension.

Optionee is willing to agree that the Land may be annexed into the corporate limits of the City, or may remain outside the corporate city limits, provided that all of the conditions required for Optionee's reasonable use of the Property as hereinabove described in these Recitals are satisfied.

Optionor is willing to agree to grant to Optionee the exclusive right to acquire the Land for an Option Term ending May 31, 2012, provided that Optionee will agree to use the Land for the library facility use hereinabove described, and that Optionee will contribute One Hundred Sixty-five Thousand Dollars (\$165,000.00) which will be paid to the City to partially reimburse the City for the cost of the Waco Road Extension, it being understood that the County has no present plans or intentions to pay for the Waco Road Extension costs or to share in such costs.

In order that Optionee may, before acquiring the Land, verify that all of the conditions to the use of the Land for its Intended Use have been satisfied, the Parties have agreed that Optionee should have the right and option to acquire the Land, but should not be bound to acquire the Land. Therefore, if the conditions to Optionee's use of the Land are not satisfied within a reasonable time, or another, more desirable site becomes available, Optionee may terminate this Agreement and any obligations on its part to acquire the Land and any obligations on the part of Optionor to convey the Land to Optionee, and Optionee or the County Library District may place the library facility on other property.

In view of the foregoing Recitals, the Parties, accordingly, enter into this Agreement.

NOW, THEREFORE, in view of the foregoing Recitals, the Parties hereto do hereby mutually promise, declare, covenant, state and agree as follows:

1. Definitions and Agreements. In this Agreement, the following terms shall have the following meanings and the following terms and provisions shall be in effect:

A. Business Day. The term "Business Day" means Mondays through Fridays, both inclusive, excluding secular legal holidays; meaning those legal holidays when banks are authorized or required to be closed, by federal law or the law of the State of Missouri.

B. Closing. The term "Closing" means the Closing of the Contemplated Transaction provided for by this Agreement.

C. Closing Date. The term "Closing Date" shall mean that Date and time on such date when the Closing is to occur, with the Closing Date being established by mutual agreement of Optionee and Optionor, but if they are unable to agree, then with such Closing Date to be 10:00 a.m. o'clock on the sixtieth (60th) day after Optionee has exercised Optionee's Option provided for by this Agreement, and the Contingencies described in paragraph 9 below have been satisfied or waived by Optionee; provided that if such sixtieth (60th) day is not a Business Day, then the Closing Date shall be extended to the next Business Day, at such time.

D. Contemplated Transaction. The term "Contemplated Transaction" means the exercise by Optionee of Optionee's Option to acquire the Property from Optionor hereinafter provided for in this Agreement, and the Closing of the transfer of the Property from Optionor to Optionee pursuant to the following provisions of this Agreement.

E. Contract/The Contract. All references herein to a "Contract," or "the Contract" shall mean that Contract between Optionor and Optionee which will spring into existence if Optionee exercises the Option provided for by this Agreement, in the manner provided for the exercise of such Option by the following provisions of this Agreement; it being understood that if Optionee does exercise Optionee's Option, then The Contract between Optionor and Optionee for the conveyance by Optionor to Optionee of the Property shall spring into existence, with the terms and conditions of The Contract being those hereinafter specified in this Agreement.

F. The Land. The term “the Land” shall mean and refer to a parcel of vacant land, owned by Optionor and located within that parcel of real estate acquired by Optionor, by gift from Tom Atkins, sometimes referred to as “the Atkins’ Tract,” which such Parcel will consist of the northern portion of the Atkins’ Tract to be located on the north side of the Waco Road Extension, and consists of between six and ten acres (depending on the final location and right-of-way for Waco Road), and which such Parcel is generally shown and described on Exhibit A, which is annexed to this Contract. The exact legal description of the Land shall be determined by that Survey and Plat of the Property to be obtained and provided as hereinafter described in this Agreement.

G. Notice. The term “Notice” means the giving by a Party to this Agreement to the other Party to this Agreement of any Notice provided for by or required by this Agreement, with the following provisions to be in effect as to any Notice given or communication engaged in pursuant to this Agreement:

a. Any Notice or communication must be given or engaged in writing, as oral Notices and oral communications shall be of absolutely no force or effect;

b. Any Notice given pursuant to this Agreement must be given within the time limits specified for the giving of such Notice by the following provisions of this Agreement; it being understood that time is of the essence and that the time limits for Notices provided for by this Agreement are essential to this Agreement and are the essence of the Parties’ rights and obligations under this Agreement;

c. Any Notice given pursuant to this Agreement must be given or delivered in one of the following ways:

- By FedEx, or other recognized courier service, by way of overnight delivery, addressed to the Party or individual to whom the Notice is to be sent, at the address for such Party or individual set forth in this Agreement;

- By telephone facsimile transmission to a Party’s or individual’s fax number set forth in this Agreement;

- By hand delivery of same to the Party or individual to whom the Notice is to be delivered;

- By mailing same to the Party or individual to whom the Notice is to be given, by United States mail, certified mail, return receipt requested.

Notice shall not be given or delivered in any other manner. Notice given or delivered in any such manner shall be deemed to have been given or delivered as of the date of hand delivery, or as of the date of facsimile transmission of same, or as of the date of placement of same in the United States Mail or with FedEx or other recognized courier service, as applicable. The manner of giving of Notice described in this subparagraph G shall be of the essence and Notice given in any other manner shall be without effect.

d. A Notice given to a Party to this Contract must be given by delivering such Notice (in the manner described in c above) to such Party **and** to such Parties' Attorneys, as such attorneys are identified in this Agreement.

H. Optionee. The term "Optionee" shall mean The Daniel Boone Regional Library Board of Trustees, a municipal corporation created pursuant to §70.210 through §70.320 of the Revised Statutes of Missouri, with Optionee's address, for purposes of this Contract, to be:

The Daniel Boone Regional Library
Attention: Mrs. Melissa Carr, Director
c/o Columbia Library
100 West Broadway
PO Box 1267
Columbia, MO 65205-1267

"Optionee's Attorney" for purposes of this Contract and as hereinafter identified in this Contract shall mean and refer to the following:

B. Daniel Simon
Brown, Willbrand, Simon, Powell & Lewis, P.C.
601 East Broadway, Ste. 203
Executive Building
P.O. Box 1304
Columbia, MO 65205.

I. Optionee's Intended Use of the Property. The term "Optionee's Intended Use of the Property" shall mean the use of the Property for purposes of constructing and operating and maintaining thereon a public library facility of either Optionee or the Boone County Library District ("the County Library District"), it being understood that the uses of such Library Facility ("the Library Facility"), and Optionee's Intended Use of the Property, may include the following:

a. A library facility and operation, such as that now being operated by Optionee on the southwest corner of Garth Avenue and Broadway Street in the City of Columbia;

b. A coffee shop or coffee kiosk, such as that now located within Optionee's main library facility ("Main Library Facility"), which is located on the southwest corner of Garth Avenue and Broadway Street in the City of Columbia;

c. Possibly a small café or coffee shop, which will provide coffee, soft drinks, other beverages, sandwiches, donuts, other pastry products, and other food items, primarily for patrons of the Library Facility, but which may also offer same to members of the public on a limited basis;

d. A small retail store selling books and related merchandise and other related sundry item store to patrons of the Library Facility and, on a limited basis, members of the public;

e. Other uses which would reasonably be considered to be ancillary uses for a modern up-to-date library facility, as such modern facilities now exist and as such facilities from time to time exist in the future;

it being also understood and agreed that Optionee's Intended Use of the Property will include all operations reasonably associated with a modern full service up-to-date library facility, as such facilities exist from time to time, and may also include the renting or leasing by Optionee or the County Library District of the coffee kiosk, the small café described above or the retail store described above, to commercial operators who will operate same; and it being further understood and agreed that the Land must be placed in a Zoning District which permits all of Optionee's Intended Use of the Property as hereinabove describe in this subparagraph I.

J. Permitted Exceptions. The term "Permitted Exceptions" means and refers to the following exceptions to the title to the Property:

a. Utility and drainage easements, which affect the Property, as shown by the Plat hereinafter described, and as shown on the Title Binder hereinafter described, provided that same are reasonably acceptable to Optionee; and

b. Any other easements, rights-of-way, restrictions and reservations which are now of record, or which are shown by the Plat, and which affect the Property, and which would not reasonably be expected to, in any manner or respects, substantially, materially or appreciably or unreasonably interfere with Optionee's Intended Use of the Property; provided that all such easements, rights-of-way and restrictions shall be subject to Optionee's reasonable approval; but provided further that Optionee's approval of any of same shall not be arbitrarily, unreasonably or capriciously withheld;

c. General real estate taxes for the year of the Closing;

d. The Zoning Codes and Regulations of either the County or the City, depending on whether the land is located within the County or the City at the time of the Closing; provided that same permit Optionee's Intended Use of the Property as a Permitted Use; and

e. Any other matters provided for by the Title Binder hereinafter described which are acceptable to Buyer and which not materially interfere with Buyer's Intended Use of the Property.

K. Permitted Termination. The term "Permitted Termination" shall mean and refer to a termination of:

a. This Agreement;

b. The Option in Optionee to acquire the Property pursuant to this Agreement;

c. Any Contract made between Optionor and Optionee for the acquisition by Optionee of the Property if Optionee exercises Optionee's Option to acquire the Property,

by either Optionor or Optionee, pursuant to a right of termination granted to such Party by this Agreement. If such a Permitted Termination does occur, by the act of either Optionor or Optionee, then the Parties to this Agreement shall be released of all of their duties and obligations imposed by this Agreement to each other, and this Agreement and all of its provisions shall be terminated and rendered of no further force or effect.

L. Optionor. The term "Optionor" shall mean each of the City and the County, which shall have, as their addresses, the following:

City of Columbia, Missouri
Attn: City Manager
P.O. Box 6015
Columbia, MO 65205

County Commission, Boone County, Missouri
801 East Walnut Street, Room 245
Columbia, MO 65201

M. Optionor's Attorney. All references herein to "Optionor's Attorney" shall mean and refer to both of the following:

The City's Attorney:
Mr. Fred Boeckmann, City Counselor
City of Columbia, Missouri
PO Box 6015
Columbia, MO 65205-6015

The County's Attorney:
Mr. John Patton, County Attorney
601 East Walnut, Room 207
Columbia, MO 65201

N. Optionor's Deed. The term "Optionor's Deed" shall mean and refer to a warranty deed for the Property, given by Optionor, as the Grantor, to Optionee, as the Grantee, and which conveys the Required Title to the Property to Optionee, and which contains the usual and customary warranties of title to the Property.

O. Plat. The term "Plat" shall mean and refer to a plat of the Land and of any adjacent land owned by Optionor, which is prepared and approved in accordance with the Subdivision Regulations of either the City or the County, depending on whether or not the land is located within the corporate limits of the City at the time of Closing. Such Plat is more fully described in paragraph 8 below.

P. Property. The term “Property” and the term “the Property” shall mean and refer to the Land, and all rights pertaining to the Land which are now or may become vested in the Optionor prior to the Closing of the Contemplated Transaction, including any easements, rights and other privileges appurtenant to the Land, and any rights of reverter appurtenant to the Land.

Q. Required Title to the Property. The term “Required Title to the Property” means marketable, fee simple, absolute title to the Property, free and clear of all easements, restrictions, liens, rights, titles, interests, claims and encumbrances and other exceptions, subject only to the Permitted Exceptions.

R. Survey. The term “Survey” and the term “the Survey” shall mean and refer to a Survey of the Land to be obtained and (or) paid for by Optionee, at such party’s expense, which such Survey shall be provided and obtained, as a part of the processes for the preparation and approval of the Plat, and which such Survey must be reasonably acceptable to Optionee and Optionor. Such Survey is more fully described in the provisions of paragraph 6 of this Agreement.

S. Title Agent. The term “Title Agent” shall mean and refer to Boone Central Title Company, 601 East Broadway, Columbia, MO 65201.

T. Title Binder. The term “Title Binder” shall mean and refer to a current standard ALTA form of title insurance commitment which is issued to Optionee, and which provides for a current commitment to issue to Optionee an owner’s indemnity policy of title insurance, on the Property, in the sum of One Hundred Sixty-five Thousand Dollars (\$165,000.00), which such Title Binder shall be issued through the Title Agent by a title insurance company, authorized to write title insurance in the State of Missouri, which is acceptable to and approved by Optionee, and which such Title Binder shall describe the Property and shall list Optionee as the prospective named insured, and shall show the Required Title to the Property in Optionor, subject only to the Permitted Exceptions and such additional standard, printed exceptions as customarily appear in ALTA forms of title insurance; provided, however, that with respect to the standard printed exceptions (i) the exception for the restrictive covenants shall be annotated either as “none of record” or “none of record except . . . (restrictions listed)”, and (ii) the exception for ad valorem taxes shall reflect only general real estate taxes for the current year, and shall be annotated “not yet due and payable”, and (iii) no exception shall be made for matters which would be disclosed by a Survey (provided that the First Title Binder to be issued pursuant to this Agreement may require that a Survey be provided and may indicate that any exceptions or defects revealed by the Survey when it is provided may be listed as exceptions to title and may, alternatively, provide that if no Survey is provided, then, in such event, the Title Policy to be issued pursuant to the Title Binder shall contain a standard survey exception) and (iv) no exception shall be made for any lien or right to lien for services, labor or materials previously furnished, imposed by law and not shown on the public records. When a Title Binder is delivered to Optionee, such Title Binder shall be accompanied by accurate and complete copies of all documents listed or described in the Title Binder as constituting exceptions to the title to the Property provided for by the Title Binder, and such documents shall be considered to be a part of the “Title Binder” and shall be included within the term “Title Binder.”

U. Title Insurance Policy. “Title Insurance Policy” or “Title Policy” shall mean and refer to a policy of owner’s indemnity title insurance, in the sum of One Hundred Sixty-five

Thousand Dollars (\$165,000.00), issued through the Title Agent, by the title insurance company which issues the Title Binder, and which comports, in all manner and respects, with the Title Binder.

2. Grant of Option. Optionor hereby Grants, Conveys and Confirms unto Optionee, or at Optionee's election, the Boone County Library District ("the County Library District"), the sole and exclusive option and right ("the Option") to acquire the Property from Optionor, pursuant to and upon the terms and conditions hereinafter set forth in this Agreement. The exclusive right and option ("the Option") in Optionee (or the County Library District) to acquire the Property from Optionor shall be in effect for an Option Period hereinafter described, and shall be exercisable by Optionee in the manner hereinafter described in this Agreement. If Optionee exercises the Option in the manner hereinafter described in this Agreement, then a contract ("the Contract") between Optionee or the County Library District (as they determine) and the Optionor, for the transfer of the Property, shall, subject to the Contingencies set forth in paragraph 9, come into existence, and Optionee shall acquire the Property from Optionor, and Optionor shall convey the Property to Optionee, pursuant to the following provisions of this Agreement and subject to the following provisions of this Agreement.

3. Option Period. The exclusive option and right to acquire the Property from Optionor shall be vested in Optionee only for an Option Period ("the Option Period") commencing on the date of this Agreement ("the Commencement Date") and ending at 12:00 midnight on May 31, 2012 ("the Termination Date"). In order to exercise the Option, Optionee must give to Optionor written notice of Optionee's exercise of the Option ("Notice of the Exercise of the Option") within the Option Period. If Optionee does not give to Optionor such Notice of the Exercise of the Option, within the Option Period, then the Option and all of Optionee's rights to acquire the Property from Optionor shall cease and terminate and be rendered of no further effect. If Optionee does exercise the Option, by delivering to Optionor Optionee's Notice of the Exercise of the Option, within the Option Period, then a Contract, which may sometimes be referred to herein as "the Contract," between Optionee and Optionor for the acquisition by Optionee from Optionor of the Property (subject to the Contingencies of paragraph 9 below) and the transfer by Optionor to Optionee of the Property shall spring into existence. The terms and conditions of the Contract are those set forth in this Agreement.

4. Proof of Title. If Optionee does exercise the Option within the Option Period by giving to Optionor, within the Option Period, Optionee's Notice of the Exercise of the Option, then Optionor shall, as soon as reasonably practicable following the receipt from Optionee of Optionee's Notice of the Exercise of the Option, cause to be delivered to Optionee a Title Binder as described in subparagraph T of paragraph 1 of this Agreement ("the First Title Binder"). The First Title Binder shall describe the Property and list Optionee prospective named insured, and shall show insurable title in the Property and Optionor, subject only to the Permitted Exceptions and the other exceptions in subparagraph J of paragraph 1 of this Agreement. Optionee shall have ten (10) Business Days from the receipt of the First Title Binder ("the Review Period") within which to notify Optionor of any objections Optionee has to any matters shown or referred to in the First Title Binder or to the First Title Binder. Any objections or defects Optionee has to any matters shown or referred to in the First Title Binder or to the First Title Binder of which Optionor is not so notified in writing within the Review Period shall become Permitted Exceptions for all purposes under this Agreement. If Optionee does notify Optionor of any objections to the First Title Binder or to the title evidenced

thereby or to be insured thereunder within the Review Period, then the following provisions shall be in effect:

A. Defects Capable of Correction. If the defects or objections ("Defect") so noted by Optionee are reasonably capable of being corrected by Optionor within a period of thirty (30) days, and without the expenditure of more than Five Hundred Dollars (\$500.00) by Optionor, then Optionor shall, commencing with the date of the receipt of Optionee's Notice of Objection to the Defect, proceed to correct the Defects and shall, in any event, cause same to be corrected within a period of thirty (30) days ("the Correction Period") of the date of the giving by Optionee to Optionor Notice of objecting to the Defect, and, if necessary, the Closing Date shall be delayed in order to allow such time for the Correction Period, if necessary. If Optionee Exercises the Option and Optionor fails to correct such defects or objections so objected to by Optionee, within the Correction Period, then Optionee shall have the following options:

a. To terminate the Contract and this Agreement as a Permitted Termination, in which event Optionee and Optionor shall be completely released from their duties and obligations hereunder to each other; or

b. To waive the Defects and to take title to the Property subject to the Defects, which shall become Permitted Exceptions.

Optionee shall have no other rights or remedies in such event. Optionee shall make an election from Optionee's remedies hereinabove described in subparagraphs a and b, within thirty (30) days of the conclusion of the Correction Period, or by the Closing Date if it occurs earlier, and if Optionee does not make such election within such time period, then Optionee shall be deemed to have elected the remedy described in subparagraph b above, and the Contract and this Agreement shall continue in full force and effect.

B. Defects Not Reasonably Capable of Correction. If Optionee notifies Optionor, within the Review Period, of any Defects in the First Title Binder or the Title provided for thereby, and if the Defects are not reasonably capable of being corrected by Optionor within the Correction Period hereinabove described in subparagraph A of this paragraph 4, or if the said Defects are not reasonably capable of being corrected by Optionor without an expenditure of more than Five Hundred Dollars (\$500.00) by Optionor, then, in either such event, Optionee's sole options and remedies shall be either to terminate this Agreement and the Contract as a Permitted Termination or to elect to take title to the Property, subject to such Defect, which shall become Permitted Exceptions for all purposes under this Agreement. Therefore, if the Defects noted by Optionee are not reasonably capable of being corrected within a Correction Period of thirty (30) days, or are not reasonably capable of being corrected without an expenditure of more than Five Hundred Dollars (\$500.00) by Optionor, then Optionee's sole rights and options shall be either to terminate the Contract and this Agreement or to allow the Contract and this Agreement to remain in full and effect, in which event Optionee shall take title to the Property subject to the Defects, which shall become Permitted Exceptions for all purposes under this Agreement. Optionee must choose Optionee's remedy within thirty (30) days of the end of the Correction Period described in subparagraph A above, or by the Closing Date if it occurs earlier, and, in the absence of such choice, shall be deemed to have elected to take title subject to the Defects, which shall become Permitted Exceptions.

The First Title Binder shall provide that an owner's indemnity title insurance policy ("the Title Policy"), consistent with the First Title Binder, shall be issued to Optionee immediately following the recording of Optionor's Deed to Optionee.

Optionee shall further have the right to require that a final Title Binder ("the Final Title Binder") be provided by the Title Agent to Optionee, at or immediately prior to the Closing. It is required that the Final Title Binder demonstrate that there have been no adverse changes in the record status of the title to the Property since the effective date of the First Title Binder, and that any requirements or objections imposed by Optionee with respect to the First Title Binder, and which are subject to correction in the manner described in subparagraph A of this paragraph 4 have been corrected.

Optionee shall pay all costs and expenses and fees required for the obtaining of the First Title Binder, the Final Title Binder, and the premiums for the Title Insurance Policy to be issued pursuant thereto.

The above provisions of this paragraph 4 notwithstanding:

i. Optionor shall, at the Closing, provide all affidavits or similar documents required by the Title Agent issuing the First Title Binder, which are reasonably required to satisfy any reasonable title examination requirements, or title requirements, subject, however, to the provisions of subparagraph A above; and

ii. Optionee need not object to any deeds of trust, mortgages or encumbrances on the Property, as same shall, at or prior to the Closing, be paid and released by Optionor, from the proceeds of the Purchase Price or Optionor's funds. Such encumbrances shall never be a Permitted Exception.

5. Contemplated Transaction. If Optionee exercises the Option by giving Notice of the Exercise of the Option within the Option Period as hereinabove described, and the "Contract" between Optionee and Optionor for the transfer of the Property by Optionor to Optionee comes into existence as described above, then such Contract shall be deemed to provide for the transfer of the Property by Optionor to Optionee ("the Contemplated Transaction") upon the terms and conditions, and subject to the Contingencies, set forth in this Agreement.

6. Survey. If Optionee exercises the Option in the manner described above, and if Optionor has not previously procured a survey for the Land ("the Survey"), then Optionee shall, at Optionee's expense, procure a Survey of the Land. If Optionor has previously obtained the Survey, then the Survey shall be subject to Optionee's reasonable approval, but if it is approved by Optionee and the Contemplated Transaction is closed, then, at the Closing, Optionee shall reimburse Optionor for Optionor's costs of the Survey. If Optionee obtains the Survey, then the Survey shall be obtained at Optionee's expense. The Survey shall satisfy all requirements of the City and the County for those surveys required to be obtained as a part of the processes for preparation of, submission of and approval by the City, under the City's Subdivision Regulations, and the County, under the County's Subdivision Regulations, of subdivision plats. The Survey shall accurately describe the boundaries of the Land and shall also describe the acreage or area of the Land and shall accurately identify all

easements and rights-of-way which in any manner or respects affect the Land. If Optionor has obtained the Survey prior to the exercise by Optionee of the Option, then, upon the exercise by Optionee of the Option, Optionor shall submit the Survey to Optionee. If the Survey has not been obtained by Optionor prior to the exercise of Optionee of the Option, then Optionee shall provide the Survey to Optionor promptly upon its receipt. The Survey shall be performed in accordance with those standards which are customarily applicable to land surveys performed in Boone County, Missouri, and to land surveys required in connection with the platting processes of the City and the County as hereinabove described.

Once the Plat of the Survey has been delivered to Optionee:

A. Notice of Defects. If the Survey reveals Defects, which Optionee reasonably determines would adversely affect Optionor's ability to convey the Required Title to the Property to the Optionee, or which would interfere with Optionee's Intended Use of the Property, then Optionee shall give to Optionor, within no more than ten (10) Business Days following the delivery of the Survey to Optionee, or by the Closing, whichever shall first occur ("the Review Period") Notice of Optionee's objections to the Defect revealed by the Survey ("the Defects"). If Optionee does not give such Notice, then any such Defect revealed by the Survey shall be waived by Optionee and shall become Permitted Exceptions. If Optionee gives to Optionor Notice of a Defect revealed by the Survey, then the following provisions of this paragraph 6 shall be in full force and effect.

B. Defects Capable of Being Corrected. If a Defect noted by Optionee is reasonably capable of being corrected by Optionor within a period of thirty (30) days ("the Correction Period") and without an expenditure of more than Five Hundred Dollars (\$500.00) by Optionor, then Optionor shall be required to correct the Defect and shall correct the Defect, and shall cause the Defect to be corrected within the Correction Period (and the time for Closing shall be extended to allow for such Correction Period, if necessary), and if Optionor fails, to so cause any of such Defects to be corrected, then Optionee shall have the following options:

a. To terminate the Contract, and this Agreement, as a Permitted Termination, in which event Optionee and Optionor shall be released from their duties and obligations under this Agreement to each other; or

b. To waive the Defect and take title to the Property subject to the Defect, which shall become a Permitted Exception.

Optionee shall make Optionee's choice between the remedies specified in subparagraphs a and b above, within thirty (30) days of the expiration of the Correction Period, or by the Closing Date if the Closing Date earlier occurs. If Optionee does not, within such time period, make an election from between such two remedies, then Optionee shall be deemed to have elected the remedy described in subparagraph b above.

C. Defects Not Reasonably Capable of Correction. If Optionee gives Optionor Notice of a Defect in the Survey within the Review Period and any such Defect is not reasonably capable of being corrected by Optionor within the Correction Period, or without an expenditure of

more than Five Hundred Dollars (\$500.00) by Optionor, then, in either such event, Optionor shall have no duty to correct the Defect, and Optionee's sole options shall be as follows:

a. To declare the Contract, and this Agreement to be terminated, as a Permitted Termination, by delivering written Notice to such effect within ten (10) Business Days after the delivery of the Survey and after it has become apparent that the Defect cannot be corrected within the Correction Period or without such an expenditure by Optionor; or

b. To elect to take title to the Property subject to the Defect, which shall become a Permitted Exception.

If any Defects revealed by the Survey, which are noted by Optionee, are not reasonably capable of being corrected within the Correction Period or without an expenditure of more than Five Hundred Dollars (\$500.00) by Optionor, then Optionee's sole rights and options shall be those hereinabove provided for by this subparagraph C.

Any Survey shall be subject to the reasonable approval of both Optionor and Optionee.

7. Annexation and Zoning. If Optionee exercises the Option, and if the Property has not been previously annexed into the city limits of the City of Columbia, and if Optionee then so requests, then Optionor and Optionee shall immediately petition the City Council of the City for the annexation of the Land into the corporate limits of the City of the Property, and for the placement of the Property in a zoning classification which will permit and allow, as a Permitted Use and not as a Conditional Use, Optionee's Intended Use of the Property (as described in subparagraph I of paragraph 1 of this Contract, including all of the uses and operations described in such subparagraph I). Optionee, the County and the City Manager of the City shall, following the petition for such annexation, and the application for placement of the Property in the desired zoning classification, diligently undertake all actions which are reasonably required to cause the Property to be annexed and to be placed in one of such zoning classifications. If Optionee requests such annexation and zoning, then it is understood that it is essential to Optionee that the Property be annexed and that it be appropriately zoned in a proper zoning classification, so that the Property will be suitable for Optionee's Intended Use of the Property (and all uses described in subparagraph I of Paragraph 1 of this Agreement). Optionee is willing to agree to accept the placement of the Property by the City in Zoning District R-1, if Optionee receives from the City a letter addressed to Optionee by the City Counselor of the City, the City Manager of the City, the Director of the Department of Public Works of the City, and the Director of the Division of Protective Inspection of the City (as such officials exist at the time of the Exercise of the Option), that it is the opinion of such individuals (those who occupy such positions at the time of the Exercise of the Option) and each of such individuals that Zoning District R-1 allows for the use of the Land, as a Permitted Use, of Optionee's Intended Use of the Property, as described in subparagraph I of paragraph 1 of this Contract, including all of the uses and operations and potential uses and operations as described in such subparagraph I. Alternatively, Optionee will agree to the placement of the Land, by the City, in Zoning District C-P, if it is the conclusion of such officials of the City that Zoning District R-1 will not allow all of such Optionee's Intended Uses of the Property (including all of the uses and operations as described in subparagraph I of paragraph 1 of this Contract) as a Permitted Use, and Optionee will further agree that if the Land is placed in Zoning District C-P, the ordinance placing

the Land in such Zoning District may describe, as the permitted uses of the Property and the uses to which the Property is restricted, any use permitted in Zoning District R-1, together with Optionee's Intended Use as described in subparagraph I of paragraph 1 of this Contract (including all of the uses and operations described in such subparagraph I).

8. Platting. If the Property has not, as of the date when Optionee exercises Optionee's Option to acquire the Property, been appropriately identified by subdivision plat as a lawful lot (by a subdivision plat processed under the Subdivision Regulations of the County or the City, as the case may be), then Optionee shall cause to be prepared, and to be submitted to the City or the County, as the case may be, a Plat which identifies the Property as a lawful Lot of the City or the County, as the case may be. Such Plat shall be prepared and submitted by Optionee at Optionee's expense. If such Plat includes other parts of the Atkins' Tract the cost of the Plat shall be equitably prorated between Optionor and Optionee.

9. Contingencies. If Optionee exercises the Option, then the Contract and the agreements between the Parties for the transfer of the Property from Optionor to Optionee shall be subject to the following Contingencies ("the Contingencies"):

A. No Environmental Hazards. Optionee, at Optionee's option, may require an Environmental Assessment, and if Optionee elects to obtain same, Optionee must have received, at Optionee's expense, an Environmental Assessments which indicates to Optionee that the Property does not contain any Environmental Hazards or conditions which would in any manner or respects interfere with Optionee's Intended Use of the Property, and which indicate that there are no "Environmental Hazards" upon or affecting the Property, with the term "Environmental Hazards" meaning the following:

i. There exists upon or with respect to the Property or any part thereof any environmentally hazardous or dangerous condition of any kind; or

ii. There has occurred within the Property or any part thereof any use of the Property or part of the Property as a dumping ground for hazardous waste or hazardous substances or use of any part of the Property as a landfill or for any disposal, discharge, deposit, injection, dumping, leaking, spilling, placing or escape of any environmentally hazardous substance or hazardous substances, contaminants or pollutants; or

iii. Any part of the Property has been used for a gasoline service station or filling station or similar operation, or there is or has been located within any part of the Property any underground storage tank for the storage of gasoline, any petroleum product, or any other environmentally hazardous or dangerous substance; or

iv. Any part of the Property is listed or proposed for listing or is threatened to be listed on the National Priorities List by the Environmental Protection Agency of the United States or on the Missouri Registry of Abandoned or Uncontrolled Hazardous Waste Sites, or that any discussions with any state or federal officials concerning the possibility of any such listing has occurred; or

v. There has occurred, within the Property, or at any location which affects or might affect the Property, any disposal, discharge, deposit, injection, dumping, leaking, spilling, placing or escape of any hazardous substance, pollutant or contaminant (as those items are defined in 42 U.S.C. § 6901), or that there has existed within the Property, or at any location affecting the Property, any facility or site which is or has been used for the treatment, disposal, storage, leaking, spilling, placing or escape of any hazardous waste (as defined and described in the Resource Conservation Recovery Act, 42 U.S.C. § 6901-6987); or

vi. Any part of the Property is or has been used as a landfill or any part of the Property or the soil in or beneath the Property is or has been chemically contaminated, or that gasoline, petroleum or any other contaminant is or has been stored or transmitted in, or has leaked upon or beneath, any part of the Property; or

vii. Any improper discharge of sewage is occurring from the Property or any part of the Property, or upon the Property.

B. Soil Tests and Geotechnical Tests and Subsurface Investigations. Optionee may elect to require soil tests, and if Optionee does so, Optionee must have received evidence satisfactory to Optionee that the soil conditions, subsurface conditions and geotechnical conditions which exist upon and beneath the Property do not contain any conditions which will substantially interfere with, or adversely affect, Optionee's Intended Use of the Property in the manner desired by Optionee, or the development of any part of the Property in accordance with Optionee's Intended Use of the Property.

C. Title/Survey. Optionee must have received the Initial Title Binder and the Survey, and the conditions of paragraphs 4 and 6 of this Agreement with respect to the Initial Title Binder and the Survey must have been satisfied.

D. Roads and Utilities. The Waco Road Extension must have been completed, and sewer lines, water lines, electrical lines and other utility lines which are required to provide the necessary sewer and utility service for the Property must have been extended to the Property, or Optionee must have received evidence, reasonably satisfactory to Optionee, that the Waco Road Extension will be completed within such time as reasonably required by Optionee, and that the required sewer lines, water lines, electrical lines and other utility lines and facilities required to provide necessary sewer and utility service to the Property will be extended to the Property within a time that is suitable to Optionee. However, it is understood that neither the City nor the County obligates itself or shall be obligated to extend sewer lines or any utility lines to the Property and that neither of them represents or agrees that such lines will be extended to the Property.

E. Annexation. If Optionee requests that the Land be annexed into the corporate limits of the City, the annexation of the Land into the corporate limits of the City must have been accomplished.

F. Zoning. The Land must be placed within or must have been placed within or be within a zoning district which will permit Optionee's Intended Use of the Property.

G. Plat. The Plat must have been prepared and approved by the City, if the Property is located within the boundaries of the City or otherwise by the County, in order that the Property shall be a lawfully identified lawful lot under the applicable Subdivision Regulations, and such Plat must be acceptable to Optionee.

If Optionee exercises Optionee's Option as hereinabove described in this Agreement, and if any of the Contingencies hereinabove described in this paragraph is not satisfied to Optionee's reasonable satisfaction, and is not waived by Optionee, by the one hundred eightieth (180th) day following the exercise by Optionee of the Option ("the Contingency Period"), then, at Optionee's election, the Contract between Optionee and Optionor for the conveyance by Optionor to Optionee of the Property, and all of the provisions of this Agreement, shall be canceled and terminated as a Permitted Termination and Optionor and Optionee shall be released from their duties and obligations under this Agreement to each other. If Optionee does not deliver to Optionor, within such Contingency Period, Notice of the Termination of the Contract and of this Agreement, then Optionee shall be conclusively deemed to have determined that each of the Contingencies has been satisfied to Optionee's reasonable satisfaction, or that any of such Contingencies which has not been satisfied has been waived, and the Parties shall proceed to close the Contemplated Transaction.

10. Closing. The Closing of the Contemplated Transaction shall occur at the offices of the Title Agent at 10:00 a.m. o'clock on the Closing Date, unless Optionor and Optionee agree, in writing, to a different time, date or place of Closing.

11. Duties at Closing. At the Closing of the Contemplated Transaction:

a. Optionor shall convey to Optionee, by Optionor's Deed to Optionee, the Required Title to the Property; and

b. Optionee shall contribute to the City the sum of One Hundred Sixty-five Thousand Dollars (\$165,000.00), to compensate the City for a portion of the City's costs incurred in accomplishing the Waco Road Extension (the County and the City have agreed that such sum shall be paid to the City to reimburse the City for part of the City's costs in providing the Waco Road Extension across the Atkins Tract); it being recognized that the County has no present intentions or plans to pay any portion of the cost of Waco Road Extension.

12. Proration and Taxes. Since the Property is held by two tax exempt entities and is real estate tax exempt, there is need be no proration of real estate taxes at the Closing.

13. Rights in Optionor to Reacquire Property if Facility Not Constructed. If Optionee acquires the Property from Optionor, but Optionee elects to sell the Property to another person or party prior to Optionee's constructing any improvements on the Property, then Optionee shall grant to Optionor a one hundred eighty (180) day right (i.e., 180 days before Optionee contracts with another party to make such sale) to reacquire the Property from Optionee by reimbursing to Optionee the One Hundred Sixty-five Thousand Dollar (\$165,000.00) paid by Optionee to Optionor at the Closing, as hereinabove described in this Contract. Such sum shall be reimbursed to Optionee, without interest. Optionee shall extend to Optionor such right to reacquire the Property for such sum, by giving to Optionor Notice of Optionee's intentions to convey the Property to another party,

which such notice shall be given not less than one hundred eighty (180) calendar days before Optionee enters into any binding agreement which will bind Optionee to convey the Property to another party and shall state and itemize the sums to be paid by Optionor. Optionor may, at any time during such one hundred eighty (180) day time period, give to Optionee Notice that Optionor elects to reacquire the Property from Optionee pursuant to the provisions of this paragraph. If Optionor does not deliver to Optionee such Notice of intention to reacquire the Property from Optionee, within such time period, then Optionee may thereafter, at any time of its choosing, convey the Property to any person or party of its choosing, on any terms and conditions of its choosing. If Optionor does elect to reacquire the Property within such time period, then Optionee shall provide to Optionor, at Optionee's cost, a Title Binder which demonstrates that Optionee continues to hold good title to the Property, equivalent to the title to the Property which existed at the time when the Property was conveyed by Optionor to Optionee. Optionee and Optionor shall then, as soon as practicable, schedule a Closing, at which such Closing Optionee shall convey to Optionor good title to the Property, equivalent to the title to the Property which was conveyed by Optionee to Optionor, by Optionee's general warranty deed, and Optionor shall pay to Optionee the sum to be paid to Optionee as hereinabove described in this paragraph 13.

14. Optionor's Right/Option to Reacquire Property If Optionee, After Building a Library Facility Thereon, Decides to No Longer Use the Land and Such Facility as a Library, But Desires to Sell it to Another Party. If, at any time after Optionee has exercised the Option, and has acquired the Property, and has caused a Library Facility and other improvements (collectively, "the Improvements") to be placed on the Property, Optionee makes a decision that Optionee will no longer use the Property for a Library Facility, and that Optionee is going to abandon the use of the Property as a Library Facility and is going to dispose of the Property by sale or conveyance to another person or party for valuable consideration, then Optionor shall have a right and option ("Optionor's Option") to repurchase the Property (including the Land and the improvements, all collectively referred to as "the Property") from Optionee. Such Optionor's Option shall be in effect during the Term hereinafter set forth in subparagraph A of this paragraph 14, and shall be upon the following terms and conditions to which the Parties hereby agree (the Parties hereby further mutually promising, contracting, covenanting, declaring and agreeing as follows):

A. Term. Optionor's Option shall be in effect for a Term ("the Term") commencing on the date when Optionee acquires title to the Property from Optionor. Such Term shall thereafter continue in full force and effect, until it is terminated in accordance with the following provisions of this paragraph 14. Optionor's Option shall exist during the entire Term.

B. Description of Option. If Optionee, at any time after it has placed Improvements on the Property, determines that Optionee is no longer going to use the Property for a Library Facility, and is going to abandon the use of the Property as a Library Facility, and that Optionee is going to dispose of (or is going to attempt to dispose of) the Property by sale of the Property or conveyance of the Property to any transferee for valuable consideration, then Optionee must immediately Notify Optionor, in writing, of such determinations by Optionee, and Optionor's Option shall spring into full force and effect. Such Option shall give to Optionor the right and option to acquire the Property from Optionee, for an Option Price as hereinafter set forth in this paragraph 14. Optionor's Option, and such right in Optionor to reacquire the Property from Optionee, shall be binding upon Optionee and its successor and assigns and transferees, and shall run with the Property;

provided, however, that if Optionee gives to Optionor Notice of Optionee's intention to terminate the use of the Property as a Library Facility and to sell or transfer the Property to another person or party or to seek to sell or convey the Property to another person or party ("Optionee's Offering Notice"), and Optionor does not elect to purchase the Property, for the Option Price hereinafter described, by an affirmative Reply Notice, (as described in the following provisions of this paragraph 14) given by Optionor to Optionee within one hundred eighty (180) calendar days of the delivery by Optionee to Optionor of Optionee's Offering Notice, and Optionee, thereafter, within two (2) calendar years of the date of delivery of the Optionee's Offering Notice to Optionor, transfers the Property to a purchaser, for valuable consideration, then, in such event, Optionor's Option and right to purchase the Property provided for by this paragraph 14, shall be canceled, terminated and rendered of absolutely no further force or effect.

C. Notice of Option and Reply Notice.

a. Offering Notice. If Optionee does intend to terminate the use of the Property for a Library Facility, and to abandon the use of the Property as a Library Facility, and to sell or convey, or to seek to sell or convey, the Property to another person or party, for valuable consideration, or shall intend to list, advertise or offer the Property for sale, for valuable consideration, to another person or party, then Optionee shall first deliver to Optionor Optionee's "Offering Notice." Such Offering Notice shall constitute an Offer by Optionee to sell the Property to Optionor for the Option Price and upon the terms and conditions hereinafter set forth in this paragraph 14, and must refer to this paragraph 14.

b. Reply Notice. Within one hundred eighty (180) days of the delivery from to Optionor of Optionee's Offering Notice, Optionor shall deliver to Optionee a "Reply Notice." If Optionor, by Optionor's Reply Notice, accepts the Offer of Optionee as set forth within the Offering Notice, then a Contract ("the Contract") between Optionor and Optionee, for the sale by Optionee to Optionor and the purchase by Optionor from Optionee of the Property, for the Purchase Price and upon the terms and conditions hereinafter specified in this paragraph 14, shall spring into full force and shall be in full force and effect, and the Parties shall perform in accordance with the terms and conditions of such Contract.

c. No Acceptance. If Optionor does not accept the Offer of Optionee, as set forth in the Offering Notice, by delivering to Optionee the Reply Notice within the one hundred eighty (180) day time period specified above, then Optionee shall be free to sell or attempt to sell the Property to any person or parties of its choice, for any price of its choosing, and upon any terms and conditions of its choosing, provided only that the closing of the sale shall occur within two (2) calendar years after the delivery by Optionee to Optionor of the Offering Notice. If such closing of such sale does not occur within such time period, then Optionor's Option shall again spring into full force and effect, upon the same terms as are set forth in this paragraph 14.

d. Definition of Offering Notice. "Optionee's Offering Notice" means a written Notice from Optionee to Optionor, which identifies the Property, and which states that Optionee that Optionee will cease to use the Property for a Library Facility and intends to abandon the use of the Property as a Library Facility, and intends to sell or convey, or to seek to sell or convey, the Property to other persons or parties, or another person or party, or to advertise the

Property for sale, or list the Property for sale, or to otherwise offer or market the Property for sale, which such Offering Notice shall specifically refer to this Agreement and the provision of this paragraph 14 and shall state that it constitutes an Offer (“the Offer”) to sell the Property to Optionor for the Option Price and upon the terms and conditions specified in this paragraph 14.

e. Reply Notice. “Reply Notice” means a written Notice from Optionor to Optionee stating that Optionor either accepts or rejects the Offer made to Optionor by Optionee by way of Optionee’s Offering Notice.

f. Contract. “Contract”, as used in this paragraph 14, means a Contract for the sale and purchase of the Property, which shall come into full force and effect, if Optionor delivers to Optionee an affirmative Reply Notice within the one hundred eighty (180) day time period hereinabove specified in this paragraph 14, which such Contract shall constitute a binding contract and agreement between Optionor and Optionee for the sale by Optionee to Optionor of the Property and the purchase by Optionor from Optionee of the Property, for the Option Price and upon the terms and conditions set forth in this paragraph 14.

g. Failure to Deliver Reply Notice. If Optionee gives to Optionor an Offering Notice and Optionor fails to deliver to Optionee a Reply Notice within one hundred eighty (180) days from the delivery to Optionor by Optionee of an Offering Notice, then Optionor shall be conclusively deemed to have delivered a Reply Notice stating that Optionor does not accept the Offer made by way of Optionee’s Offering Notice and shall be deemed to have rejected such Offer, and Optionee may thereafter seek to sell the Property or sell the Property to any persons or parties of its choosing, for any Purchase Price which is acceptable to Optionee, and upon any terms and conditions which are acceptable to Optionee, but if the closing of a sale of the Property to another person or party by Optionee does not occur within two (2) calendar years of the delivery by Optionee to Optionor of Optionee’s Offering Notice, then Optionor’s Option shall again come into full force and effect upon all of the terms and conditions set forth in this paragraph 14.

D. Continuing Right. Optionor’s Option set forth in this paragraph 14 shall be a continuing right and shall continue in existence for the Term, but the Term shall be terminated if Optionee gives to Optionor Optionee’s Offering Notice, and Optionor does not, within one hundred eighty (180) days of the delivery by Optionee to Optionor of Optionee’s Offering Notice deliver to Optionee an affirmative Reply Notice, and Optionee, thereafter, closes on a sale of the Property to another person or party within two (2) calendar years of the date of the delivery by Optionee to Optionor of Optionee’s Offering Notice.

E. Exceptions to Option. Optionor’s Option shall not apply to, nor operate with respect to:

a. Encumbering of the Property by Optionee by a deed of trust or other encumbrance, collateralizing and securing Optionee’s obligations to repay funds which are borrowed or provided to Optionee to pay the costs or a part of the costs of the construction of, or expansion or improvement of the Library Facility; or

b. A conveyance of the Property to or acquisition of the Property by the County Library District, the Columbia Library District, or any other public library district, which will continue the use of the Property for continuing use as a Library Facility and for Optionee's Intended Use of the Property as described in this Contract; or

c. Any merger of Optionee into any other public library district, with the Property to continue to be used for such use; or

d. Any foreclosure or conveyance by deed in lieu of foreclosure under any mortgage or deed of trust on the Property, as described in subparagraph a above [and if any such foreclosure or conveyance in lieu of foreclosure occurs, then Optionor's Option shall be canceled, terminated and rendered of no further force or effect].

F. Intention to Convey to Any Other Person or Party for Use Other Than as a Library Facility Without Valuable Consideration. If Optionee, during the Term, determines that Optionee will convey the Property to any person or party whomsoever, without payment by such person or party of valuable consideration for the conveyance (meaning the Property is to be given away or donated), then Optionee shall be required to convey the Property to Optionor without payment of valuable consideration; subject, however, to the exceptions set forth in subparagraph b. of subparagraph E. above.

G. Option Price. If Optionor delivers to Optionee an affirmative Reply Notice and the Contract comes into full force and effect, then the Purchase Price to be paid by Optionor to Optionee for the Property shall be an "Option Price." The "Option Price" shall be an amount determined as follows:

a. The then current fair market value of the Property, meaning the Land and the Improvements, shall be determined;

b. The amount determined pursuant to subparagraph a shall be reduced by One Hundred Sixty-five Thousand Dollars (\$165,000.00), with the amount determined thereby (i.e., the amount determined by reducing such amount by \$165,000) to be the Option Price.

The intention that Optionor will pay to Optionee as the Option Price the fair market value of the Property; reduced by One Hundred Sixty-five Thousand Dollars (\$165,000.00). Therefore, the fair market value of the Property, including the Land and Improvements, shall be determined, the resulting amount shall then be reduced by One Hundred Sixty-five Thousand Dollars (\$165,000.00), giving the Option Price. Optionee and Optionor shall seek to agree upon the Option Price, or the fair market of the value and of the Property. If they are unable to do so, then they shall proceed as follows:

a. If they are to be able to agree upon the identity of an MAI certified Appraiser who will determine the fair market value of the Property, then such appraiser shall be employed to make these determinations and the determinations of such Appraiser shall be binding upon Optionor and Optionee.

b. If Optionor and Optionee are unable to agree upon the identity of such an appraiser, then Optionee shall identify an MAI certified real estate Appraiser, and Optionor shall identify such an MAI certified real estate Appraiser, and the two MAI Appraisers so identified by Optionor and Optionee shall select a third Appraiser, who shall also be an MAI certified Appraiser, and the Option Prices determined by the three Appraisers shall be averaged, thereby giving the Option Price. The determination of the Option Price by the use of the three appraisers shall be binding and conclusive.

If a single Appraiser is used the Parties shall share such Appraiser's fees, equally. If three Appraisers are used Optionee shall pay the fees of the Appraiser selected by Optionee and Optionor shall pay the fees of the Appraiser selected by Optionor and the Parties shall share the fees of the third Appraiser, equally.

If a Contract for the sale and purchase of the Property is made, then Optionor shall pay to Optionee, as the Purchase Price for the Property, the Option Price determined in accordance with the provisions of this subparagraph G.

H. Other Terms and Conditions of Sale. If a Contract for the purchase and sale of the Property between Optionee and Optionor comes into existence, pursuant to the provisions of this paragraph 14, then the other terms and conditions of the Contract shall be as follows:

a. Purchase Price. The Purchase Price shall be the Option Price as hereinabove described in this paragraph 14.

b. Required Title. Optionee shall, at the Closing, convey the Property to Optionor by Optionee's general warranty deed, containing usual and customary warranties, subject only to the Permitted Exceptions described in subparagraph J of paragraph 1 of this Contract.

c. Title Insurance. Optionee shall deliver to Optionor, prior to the Closing, a Title Binder, as described in subparagraph T of paragraph 1 of this Contract, for an owner's indemnity policy of title insurance on the Property, running in favor of Optionor, in the sum of the Option Price, which such Title Binder shall be issued through a title agent, by a title insurance company authorized to write title insurance in the State of Missouri, which are acceptable to Optionor. The Title Binder shall satisfy all requirements of subparagraph T of paragraph 1 of this Contract. Optionor shall have a "Review Period," as described in paragraph 4 of this Contract, commencing with the date of delivery of the Title Binder, and ending with the Closing; provided, however, that unless such time limit is waived by Optionor, Optionor shall have a Review Period of not less than ten (10) business days (Mondays through Fridays, excluding secular legal holidays) and, if necessary, the Closing shall be delayed to allow for such Review Period. If Optionor makes an objection to the Title Binder or the title to the Property evidenced thereby, then all of the provisions of paragraph 4 of this Contract shall be in full force and effect, with all references to "Optionee" in such paragraph 4 to mean and refer to "Optionor" and all references in such paragraph 4 to "Optionor" to mean and refer to "Optionee."

d. Due Diligence. Optionor shall have the right, during a "Due Diligence Period," which shall commence as of the date of Optionor's Reply Notice to Optionee, and shall end

on the ninetieth (90th) day following the date of such Reply Notice, within which to cause such Environmental Assessments of the Property, such land surveys of the Property, such engineering and structural investigations and assessments of the Property, and all other assessments and investigations of and with respect to the Property as it desires to cause to be performed, and if it determines within such Due Diligence Period that the results of any of such surveys, assessments or investigations are unacceptable to Optionor, then Optionor may terminate the Contract and Optionor's Option, as a Permitted Termination, or may waive any defect or problem revealed by the surveys, assessments or investigation. If Optionor does not notify Optionee within such Due Diligence Period of a termination of the Contract, then the Contract shall continue in full force and effect.

e. Permitted Termination. If Optionor elects to terminate the Contract as a Permitted Termination, Because of Defect in the title, as described in paragraph 4 of this Contract, or because of a determination by Optionor that any of the results of any survey or investigation or assessment performed or caused to be performed with respect to the Property by Optionor are unacceptable to Optionor, then the Contract and Optionor's Option shall be canceled and terminated and rendered of no further force or effect, and Optionor's Option shall not thereafter be reinstated to force and effect for any cause or reasons whatsoever.

f. Closing. The Closing of the Purchase and Sale of the Property shall occur on a date and at a time and at a location mutually acceptable to Optionor and Optionee, but if they cannot agree upon a location for the Closing, then the Closing shall occur at the offices of the City Manager of the City, and if they cannot on a date and time for the Closing, then the Closing shall occur on the tenth (10th) Business Day after the conclusion of the Due Diligence Period. At the Closing, Optionee shall deliver to Optionor Optionee's deed for the Property hereinabove described in this subparagraph H, and Optionor shall pay the Option Price to Optionee by bank cashier's check or any other form of remittance which is acceptable to Optionee.

15 Notice of Option Rights. Optionor shall be permitted to cause to be prepared, in recordable form for recording in the Real Estate Records of Boone County, Missouri, and to require that Optionor and Optionee execute at the Closing of the Contemplated Transaction, such Notices of Optionor's Option rights as are described in paragraphs 13 and 14 of this Contract, as Optionor desires to cause to be prepared and recorded. Optionee shall be required to execute any such Notice, or to execute any declaration of restrictive covenants which embodies Optionor's Option rights set forth in such paragraphs as Optionor desires to require be executed by the Parties, at the Closing of the Contemplated Transaction.

16. Restrictions on Use. Optionor shall be permitted to require, at the Closing, that the Property be subject to a restriction on its use, so long as the Property is owned by Optionee, the Boone County Library District or any other library district, restricting the use of the Property to Optionee's Intended Use of the Property as described in subparagraph I of paragraph 1 of this Contract; meaning that the intention of the Parties is that, so long as Optionee or any other library district owns the Property, it must be used for a public library facility and those other uses described in subparagraph I of paragraph 1 of this Contract. If, however, the Property is acquired by Optionee and is thereafter sold by Optionee to another person or party after Optionee gives to Optionor the rights or Options provided for by either paragraph 13 or paragraph 14 above, whichever is then

applicable, then the restriction on use of the Property provided for by this paragraph 16 shall be canceled, terminated and rendered of no further force or effect. The restrictions on use provided for by this paragraph 16 shall also be canceled and terminated if Optionee encumbers the Property with a mortgage or deed of trust to secure borrowings for or obligations for the repayment of funds used for the construction, expansion or improvement of the Library Facility to be placed upon the Land, and because of a default thereunder, there is a foreclosure or deed in lieu of foreclosure under such mortgage or deed of trust. If there is such a foreclosure or deed in lieu of foreclosure under any such deed of trust or mortgage, then the restrictions on use provided for by this paragraph 16 shall be of no further force or effect. Optionor shall have the right to require that the restrictions on use set forth in this paragraph shall be appropriately memorialized in Optionor's deed to Optionee, or, alternatively, in a separate declaration of restrictions, which shall be recorded in the Real Estate Records of Boone County, Missouri, at the Closing of the acquisition of the Property by Optionee.

17. Assignment to County Library District. Optionee shall have the right to assign all of its rights, and all of its obligations under this Agreement, to the County Library District. If such assignment is made, then Optionee shall be released and discharged from its duties and obligations under this Agreement, and the County Library District will succeed to all of the Optionee's rights, duties and obligations provided for by this Agreement.

18. Waiver of Further Warranties. If the Option is exercised and the Contract comes into existence, then, subject only to paragraph 19 below, the Closing of the Contemplated Transaction provided for by this Agreement, and the acceptance by Optionee of Optionor's deed to Optionee for the Property shall constitute full and complete acceptance by Optionee of the Property, and all of the parts and components of the Property, in the same condition in which same are then found (and in their then existing **AS IS** condition), and Optionor shall not be deemed to have made to Optionee any further or continuing warranties, representations, statements or guarantees of any kind or nature whatsoever, concerning any physical condition, quality or characteristic of Property. The provisions of paragraph 19 shall, however, continue in full force and effect.

19. Following Closing. If Optionee acquires the Property from Optionor prior to:

a. The annexation of the Property into the city limits of the City, if Optionee desires that the Property be annexed into the city limits of the City, or prior to the placement of the Property in a zoning classification which will permit the Property to be used for Optionee's Intended Use of the Property, then Optionee and Optionor agree to thereafter continue to pursue those reasonable efforts required to cause the Property to be annexed and so zoned;

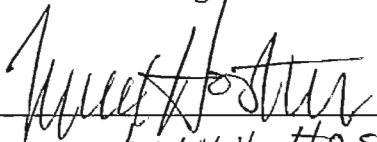
b. The platting of the Property, then Optionee and Optionor agree to diligently pursue those efforts required to cause the Property to be platted as described above.

20. Entire Agreement. This Agreement contains the entire and complete agreement between Optionor and Optionee with respect to the Option, and the Contemplated Transaction, and the Property, and the acquisition of the Property by Optionee from Optionor. All other contracts, agreements, undertakings, understandings or statements entered into or made by either Optionor or Optionee with respect to such subjects or matters to the extent not set forth in this Agreement are hereby canceled, terminated and rendered of no further force or effect.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first above written.

OPTIONEE:

Daniel Boone Regional Library Board of Trustees

By: 
Name Printed: Lynn Hostetler
its president

OPTIONOR:

City of Columbia, Missouri

(City Seal of City)

By: 
H. William Watkins, City Manager

ATTEST:


Sheela Amin, City Clerk

Approved as to legal form:


Fred Boeckmann, City Counselor

Boone County, Missouri

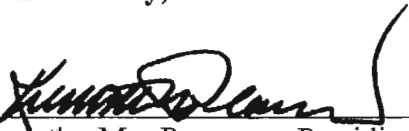
By: 
Kenneth M. Pearson, Presiding Commissioner,
County Commission, Boone County, Missouri

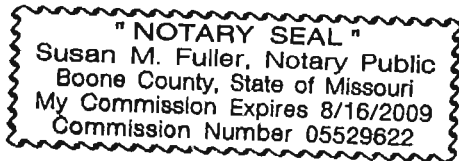
Exhibit A - Legal Description

STATE OF MISSOURI)
) ss.
COUNTY OF BOONE)

On this 6th day of April, 2007, comes Lynn Hostetler,
to me personally known, who being by me first duly sworn, did state that he is president

of Daniel Boone Regional Library Board of Trustees and, as such, is duly authorized to execute the foregoing document in the name of and on behalf of such entity, and that he has executed the foregoing document in the name of and on behalf of such entity, acting in his capacity as president of such entity, and has done so by authority granted to him by the Board of Trustees of Daniel Boone Regional Library, and that the foregoing document represents the binding act, contract and deed of Daniel Boone Regional Library.

IN TESTIMONY WHEREOF, I have hereunto set my hand and notarial seal on the day and year hereinabove first set forth.

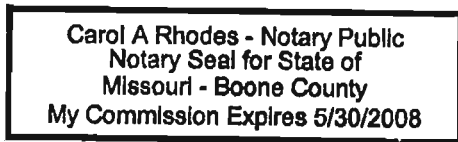


Susan M. Fuller
Susan M. Fuller, Notary Public
Boone County, State of Missouri
My commission expires: 8-16-09.

STATE OF MISSOURI)
) ss.
COUNTY OF BOONE)

On this 19 day of April, 2007, comes H. William Watkins, to me personally known, who being by me first duly sworn, did state and acknowledge that he is the City Manager of the City of Columbia, Missouri, a municipal corporation of the State of Missouri, and that as such, he is duly authorized to execute the foregoing document in the name of and on behalf of said City, by authority granted to him by the City Council of the said City, and that he did execute the foregoing document in the name of and on behalf of the said City, by authority granted to him by the City Council of the said City, and that he did execute the foregoing document in the name of and on behalf of the said City, and that the foregoing document represents the binding act, contract and deed of the said City.

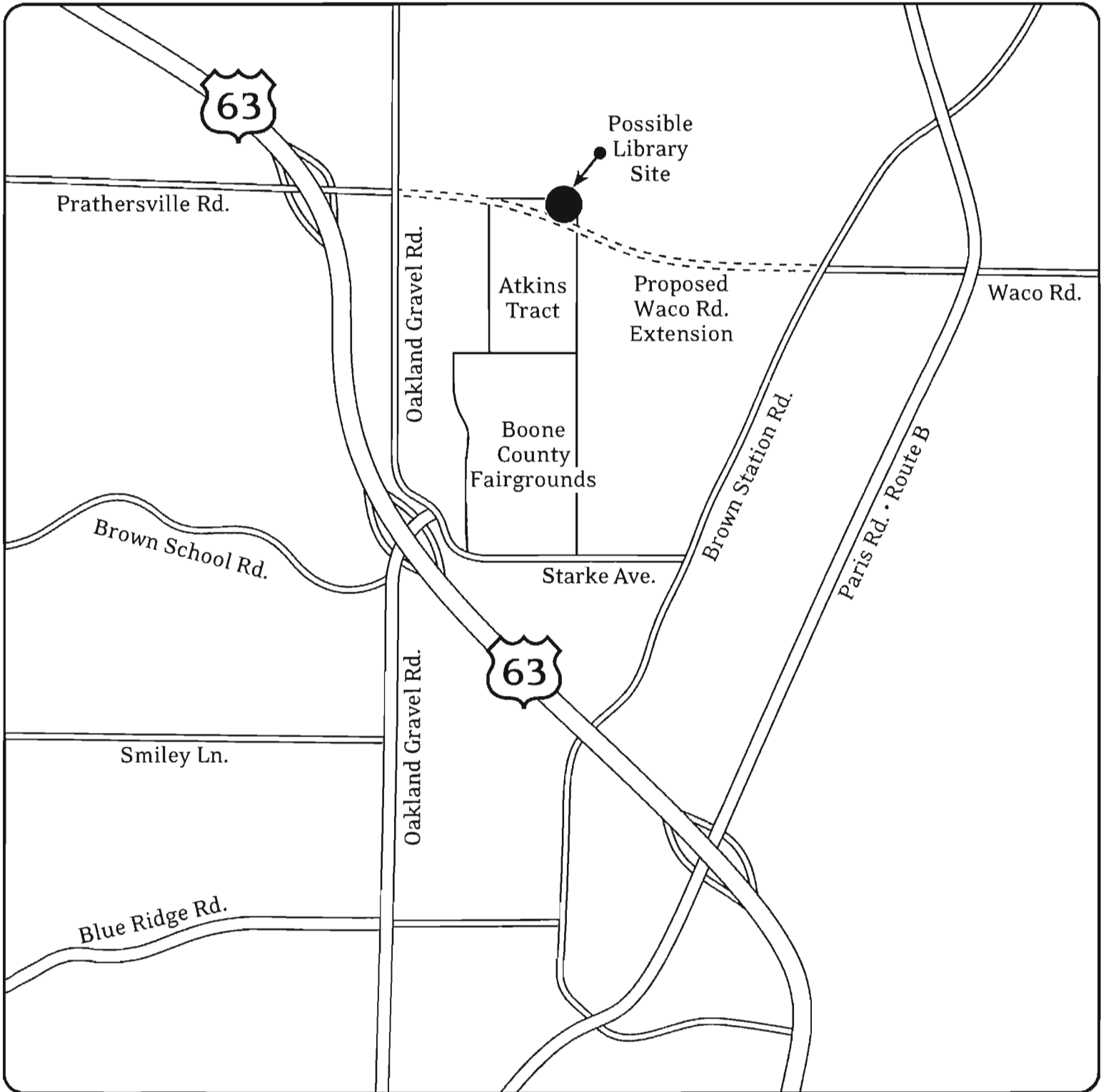
IN TESTIMONY WHEREOF, I have hereunto set my hand and notarial seal on the day and year hereinabove first set forth.



Carol A. Rhodes
_____, Notary Public
Boone County, State of Missouri
My commission expires: 5/30/08.

Daniel Boone Regional Library • Boone County Library District

Possible Northern Branch Site



“EXHIBIT A ”