

Tuesday, July 12, 2022

Mr. Ty Lasher
Land Bank Treasurer
City of Bel Aire, Kansas Land Bank
7651 E Central Park Ave
Bel Aire, KS 67226

Re: Letter of Terms to Purchase LOT 1 BLOCK 19 CENTRAL PARK ADD, Bel Aire, Kansas.

Dev Properties, LLC, and assignees intends to enter into negotiations for the purchase of the captioned property upon the following terms and conditions, as well as other customary provisions that shall be mutually agreed upon by the parties, all of which will be, if agreed to, contained in a separate Agreement of Sale and Purchase (the "Agreement). The salient points of this Letter of Terms are as follows:

1. **Buyer:** Dev Properties, LLC, or assigns
2. **Seller:** City of Bel Aire, Kansas Land Bank
3. **Property:** LOT 1 BLOCK 19 CENTRAL PARK ADD
4. **Purchase Price:** \$ 400,000
5. **Earnest Money:** \$ 10,000
6. **Specials:** Buyer shall be responsible for all existing and future special assessment taxes as of the date of closing.
7. **Due Diligence Period:** One hundred and eighty days (180) days from the execution of the Agreement of Sale. Parties agree that the due diligence period may be extended three (3) times for TIF processing if and only if both parties agree to each extension by amending the Agreement of Sale.
8. **Due Diligence Items:** Buyer will obtain a title search, Geotech, survey, phase 1, and other needed environmental studies and consider findings from those reports during the Due Diligence period.
 - If during the Due Diligence period any of those reports indicate a defect in the property, Seller may elect to correct the defect at Seller's cost, adjust the purchase price for the reasonable value of the defect, or do nothing. If buyer accepts Seller's concessions for the defect, parties will proceed with closing.
 - If, during the Due Diligence period, Buyer elects to cancel this agreement for inability to close or any reason other than a specific defect found in due diligence reports, Buyer will pay 100% of due diligence costs and earnest money shall be given to Seller.
9. **Closing Date:** Closing will occur no later than sixty (60) days after the last day of the Due Diligence Period.

10. **Closing Costs:** Closing costs will be split 50/50 between Buyer and Seller.

11. **Title Commitment:** Seller will order Title Commitment and cost split 50/50 between Buyer and Seller. Security 1st Title, 727 N. Waco, Suite 300, Wichita, KS

12. **Exclusive Negotiation:** Buyer and Seller shall exclusively negotiate in good faith and shall endeavor to complete and execute an Agreement of Sale no later than September 7, 2022. The time period may be adjusted by mutual agreement of parties.

13. **Permitted Uses:** Buyer shall use reasonable efforts to obtain all necessary permits and approvals from regulatory authorities in such from as required to design, construct, develop, and operate the Property for Buyer's intended use. Seller's obligations in the Agreement in this regard shall include, cooperating in good faith to assist Buyer through zoning and permit approval process, and to provide to the City any information reasonably required for the same. Both parties understand Seller's chief obligation as a municipality to objectively act in the best interest of the City and consider legal factors of zoning and permit recommendations and decisions objectively.

13. **TIF Partners:** Parties understand that Tax Increment Financing (TIF) is essential to this project and anticipate committing research, time, and resources to collectively petition for County and School District TIF support.

14. **Non-Transferable Reversionary Interest:** Buyer will allow Seller to place a Non-Transferable Reversionary Interest on the deed that will convey ownership back to Seller in the event of a default in payment of special taxes. An event of default shall be deemed to have occurred if special assessment taxes are 60 days overdue. In such an event, the City of Bel Aire will give notice to the property owner of intent to exercise the Reversionary Interest and will allow the owner 30 days to cure the default by paying taxes to current. The Reversionary Interest is negated in whole upon payoff of all special taxes existing at the time of sale. Legal language to be negotiated in PSA.

15. **Sunset:** If the terms and conditions outlined in this Letter of Terms are acceptable to Seller, and Seller desires to continue to negotiate towards completing a mutually acceptable Agreement of Sale, please indicate acceptance by signing in the place provided below. This Letter of Terms shall expire, if not accepted in writing, by **5:00 PM, EST on Monday – August 15, 2022.**

IN WITNESS WHEREOF, Seller and Buyer execute this Contract on the date(s), and at the time(s), indicated below their respective signatures.

BUYER

Dev Properties, LLC

By _____

Print _____

Title _____

Date _____ Time _____

Mailing Address: _____

Telephone _____

SELLER

City of Bel Aire Land Bank

By _____

Print _____

Title _____

Date _____ Time _____

Address: 7651 E Central Park Ave.

Bel Aire, KS 67220-----

Telephone _____