

Introduced by: City Manager Nathan Mai-Lombardo

AN ORDINANCE APPROVING THE PURCHASE OF PROPERTY LOCATED AT 8410 AIRPORT ROAD, 8436 AIRPORT ROAD, 6243 & 6263 NORTH HANLEY ROAD, BERKELEY, MISSOURI 63134 FROM THE RESPECTIVE OWNERS

- WHEREAS,** the City seeks to improve the condition and marketability of the Airport Road / North Hanley corridors in downtown Berkley; and
- WHEREAS,** the properties located at 8410 and 8436 Airport Road, and 6243 & 6263 North Hanley Road have high value to the City, by virtue of their size, condition, and/or location; and
- WHEREAS,** the City has, under Chapter Section 9.9 the authority to purchase, sell, and exchange real property and set procedures for doing so; and
- WHEREAS,** the City has approved the purchase of the properties identified as 8410 Airport Road, St. Louis County Locator Number 11J141627, 8436 Airport Road, St. Louis County Locator Number 11J130948, and 6423 & 6253 North Hanley Road, St. Louis County Locator Numbers 11K622071 and 11K620310, from their respective owners; and
- WHEREAS,** the City has determined that the acquisition of this property will meet the objective of the City’s Comprehensive Plan to redevelop and improve the downtown district.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BERKELEY, MISSOURI, AS FOLLOWS:

- Section 1.** The purchase of said property is approved the by the City of Berkeley.
- Section 2.** This Ordinance shall be in full force and effect from and after its passage.

1st Reading this _____ day of _____ 2024

2nd Reading this _____ day of _____ 2024

3rd Reading, PASSED and APPROVED, this _____ **day of** _____ **2024**

ATTEST:

Deanna L. Jones, City Clerk

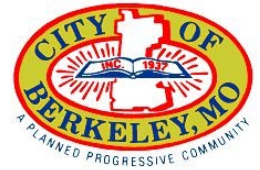
Approved as to Form:

Donnell Smith, City Attorney

Final Roll Call:

Councilwoman Verges	Aye	___	Nay	___	Absent	___	Abstain	___
Councilwoman Williams	Aye	___	Nay	___	Absent	___	Abstain	___
Councilman Hoskins	Aye	___	Nay	___	Absent	___	Abstain	___
Councilwoman Anthony	Aye	___	Nay	___	Absent	___	Abstain	___
Councilman Hindeleh	Aye	___	Nay	___	Absent	___	Abstain	___
Councilwoman-at-Large Crawford-Graham	Aye	___	Nay	___	Absent	___	Abstain	___
Mayor Deinbo	Aye	___	Nay	___	Absent	___	Abstain	___

Babatunde Deinbo, Mayor



MEMORANDUM

TO: Mayor Deinbo and Members of the Berkeley City Council

FROM: Elliot Liebson, Director of Planning and Development

THROUGH: Nathan Mai-Lombardo, City Manager

DATE: 7/15/2024

RE: Acquisition of properties on Airport and N. Hanley Road

As noted in the May 6 acquisition proposal (attached), we have been pursuing several high impact properties for potential acquisition. Today we are bringing purchase contracts for 8410 and 8436 Airport Road and 6243-6263 North Hanley Road for Council's consideration and approval.

The prices agreed to for purchasing these properties are as follows:

- 8410 Airport Road: \$135,000.
- 8436 Airport Road: \$30,000, plus the City pays the back taxes owed (currently \$15,571.75).
- 6243-6263 North Hanley Road: \$85,000.

Included with this memo are the following documents:

- Downtown Property Acquisition Proposal
- Purchase contracts for the above properties
- Summary pages of appraisals of each property from Greater St. Louis Appraisal (full appraisal report is 52 pages per property).



8425 Airport Road Berkeley Missouri 63134-2098 (314) 524-3313

DOWNTOWN PROPERTY ACQUISITION PROPOSAL

May 6, 2024

Over the last 6 months the Economic Development staff have researched all the potential properties the City might acquire downtown, spoke to owners, and have had the most promising targets appraised. Based on this information, and discussions with commercial brokers, we propose the following properties as targets for acquisition, in order of priority (highest to lowest):



#1)

- 6243 & 6263 N. Hanley Road (for sale)
 - Listed at \$95K (now \$90K)
 - Appraised at \$95K
 - County valued at \$242K
- 6259 N. Hanley
 - Owner “wanted to sell at \$75K”
 - Appraised at \$26K
 - County valued at \$39K

These two properties are our top suggestion for acquisition. 6243 & 6263 are vacant land, listed by a broker (Cissell Mueller co.) who developed the Dollar General next door. The three parcels together contain 2.3 acres, all zoned commercial. Acquiring 6259 would connect 6243 and 6263, as well as provide room for moving the detention basin from 6243. *(Note; the City also inquired about 6265 N. Hanley, but the owner wants “at least” \$100,000, whereas our appraisal came back at \$27,000, so he has declined to continue negotiating.)*





#3)

- 8436 Airport Road (owner wants to sell)
 - Appraised at \$47.5K (if back taxes paid)
 - “ “ “ \$33.1K (if back taxes not paid)
 - Owes \$14.8K in back taxes (3 years; first tax sale in august)
 - County valued at \$123.2K

This is the vacant gas station across the street from City Hall. The owner wants to sell and has been calling regularly to ask if we will make him an offer. The tanks were removed in 1990 (they are on the State's underground tank database), but we will have to demolish and remove the station, canopy, and pavement, and the retaining wall on the west side of the lot next to Oscar's Salon will also have to be removed and rebuilt, and we do not have an estimate of those costs. *(Note; Owner's latest offer is \$35,000, for which he is requesting we pay the past due taxes.)*





#3)

- 8410 Airport Road (owner claims he wants to sell)
 - Appraised at \$165K
 - County valued at \$57.9K
 - Owner claims “he had an offer to purchase at \$250K” a few years back but “the City stopped the deal”

This is a decent sized (.53 acres +/-) piece of mostly open property across from fire station #1; the liquor doctor is next door, and the owner keeps contacting Staff asking if we are prepared to make an offer.



REAL ESTATE SALE CONTRACT

DATE: _____

1. PARTIES AND PROPERTY.

City of Berkeley, Missouri Buyer(s), agrees to purchase from Ihmoud Michael A TR ETAL undersigned Seller, real property, described as:

8410 Airport Road
Berkeley, Missouri 63134

2. INCLUSIONS AND EXCLUSIONS.

The purchase price includes all existing improvements to the property, fixtures and equipment.

3. PURCHASE PRICE.

\$ 135,000 is the total purchase price to be paid as follows:

- a. \$100.00 earnest money to be delivered to Seller within five (5) days after "Acceptance" date. **ESCROW FUNDS SHALL BE DEPOSITED WITH THE CLOSING TITLE COMPANY.**
- b. The balance is to be paid at Closing by cashier's check, wire transfer or any form acceptable to Closing agent.

4. METHOD OF FINANCING.

This contract is not contingent upon financing; however, Buyer reserves the right to finance any portion of the purchase price.

5. CLOSING AND POSSESSION.

The "Closing" is the exchange of the Seller's deed for the total purchase price. Seller shall be deemed to have received funds when funds are received by Seller or Seller's title company. The Closing of this sale shall take place at Investors Title Company or any other date that both parties agree in writing. Buyer and Seller may close at the title company of their choice. Title will pass when the sale is closed. Seller to deliver possession of the property and keys to Buyer no later than Closing. All parties agree to sign Closing documents at a time that facilitates this possession. Seller warrants that the property will be vacant and free of personal property and debris, at time of possession and delivered to Buyer in its same condition (together with any improvements or repairs required by this contract), ordinary wear and tear excepted, as it was on the date of this contract. Buyers should change locks and codes following possession.

6. TITLE.

Seller shall transfer title to Buyer by general warranty deed. Seller to Order, Provide and Purchase Title. Not later than ten (10) days after the "Acceptance Deadline" date, Seller will order a commitment for title insurance to be provided to the Buyer for both an Owner's policy of title insurance and for a lender's policy of title insurance (if required by lender) in the latest ALTA form including mechanics lien coverage from the title company. Seller shall pay for the title insurance (including title premium and title service charges), at Closing. Buyer may, at Buyer's option and expense, order a title examination and commitment to issue an Owner's and/or lender's policy. This should be ordered promptly after contract acceptance to allow sufficient time to obtain and review documents, and, if necessary, object to defects that may be discovered.

7. ADJUSTMENTS AND CLOSING COSTS.

Buyer shall pay for (where applicable):

- title company charges (for example: Closing, recording, escrow, wire and closing protection letter fees) customarily paid by Buyer;
- any charges imposed by lender (for example: appraisal and credit report fees, loan discount points, loan origination fees, funding fees, and other loan expenses), unless specifically agreed to be paid by Seller;
- building, termite, and environmental inspections;
- agreed upon repairs.

Seller shall pay for (where applicable):

- existing loans on property;
- title company charges (for example: Closing, release, escrow, wire and closing protection letter fees) customarily paid by Seller
- special taxes and special assessments levied before Closing; and

Buyer and Seller shall have prorated and adjusted between them on the basis of thirty (30) days to the month as of the date of Closing (Seller to pay for last day):

- general taxes (based on assessment and rate for current year, if both are available, otherwise based on previous year);
- district improvement assessments for current year; Buyer to pay thereafter;
- flat rate utility charges (including water, sewer, and trash).

8. INSPECTIONS, DISCLAIMERS, AND WARRANTIES.

Within fifteen (15) days after the "Acceptance Deadline" date (the "Inspection Period"), Buyer may inspect the property for environmental hazards. The Buyer's Inspection Period will end upon the delivery of the Inspection Notice described below or the time stated above, whichever occurs first. Failure by Buyer to purchase and perform an inspection within the time stated above shall constitute a waiver and acceptance of any conditions an inspection would have disclosed.

Within the Inspection Period, Buyer shall furnish a written Inspection Notice to Seller stating one of the following:

- (1) Buyer is satisfied with the inspections. Delivery of inspection reports to Seller is not required. If Seller has not received the written Inspection Notice by the end of the Inspection Period, Buyer shall be deemed to be satisfied with the results of any inspections.
- (2) Buyer is terminating the contract, with earnest money to be returned to Buyer, subject to paragraph 12. In this case, Buyer shall have purchased one or more home inspection report(s) from an independent qualified inspector(s), as provided for above, which together cover the substantial structural elements and systems of the property. Buyer shall provide such report(s) to Seller or if requested by Seller.
- (3) Buyer is willing to close upon satisfaction of the requirements set forth in the Inspection Notice which must be accompanied by a complete copy of the written inspection report(s), purchased by Buyer. The parties have a total of fifteen (15) days after date of Seller receipt of the Inspection Notice (the "Resolution Period") to reach a written agreement as to the requirements set forth in the Inspection Notice, or as to an agreed upon monetary adjustment, or the contract is terminated, and earnest money deposit to be returned to Buyer. During the Resolution Period, either a written commitment by Seller to meet the requirements originally submitted by Buyer in the Inspection Notice, or a written commitment by Buyer to accept the property without such requirements, shall constitute an "agreement" for purposes of this paragraph even after earlier negotiation failed to produce an agreement.

9. EARNEST MONEY.

Buyer and Seller agree that the earnest money received in connection with this contract shall be deposited with the closing agent within ten (10) banking days after the "Acceptance Deadline" date. Any earnest money received shall be in the form of a cashier's check and shall be applied to the purchase. If any earnest money is being returned to Buyer, Buyer agrees that any expenses for services requested by Buyer may be withheld and paid to the applicable service provider(s).

10. REMEDIES.

If either party defaults in the performance of any obligation of this contract, the party claiming a default shall notify the other party in writing of the nature of the default and his election of remedy. The notifying party may, but is not required to, provide the defaulting party with a deadline for curing the default. If the default is by Buyer, Seller may either accept the earnest money as liquidated damages and release Buyer from the contract (in lieu of making any claim in court) or may pursue any remedy at law or in equity.

If the default is by Seller, Buyer may either release Seller from liability upon Seller's release of the earnest money and reimbursement to Buyer for all direct costs and expenses, as specified in Buyer's notice of default (in lieu of making any claim in court) or may pursue any remedy at law and in equity, including enforcement of sale.

In the event of litigation between the parties, the prevailing party shall recover, in addition to damages or equitable relief, the cost of litigation including reasonable attorney's fee. This provision shall survive Closing and delivery of Seller's deed to Buyer.

11. LOSS.

Risk of loss to the improvements of the property shall be borne by the Seller until title is transferred. If any improvements covered by this contract are damaged or destroyed, Seller shall immediately notify Buyer in writing of the damage or destruction, the amount of insurance proceeds payable, if any, and whether Seller intends to restore the property prior to Closing, to its condition at the time of the contract. In the event Seller restores the property to its prior condition before scheduled Closing, and provides Buyer with proof of the repairs, Buyer and Seller shall proceed with Closing. In the event the property is not to be restored to its prior condition by the Seller before Closing, Seller shall immediately provide Buyer with a copy of any policies of insurance, the name and number of the agent for each of said policies, and written authorization (if needed) for Buyer to communicate with the insurer. Buyer may either a) proceed with Closing and be entitled to the amount of insurance proceeds relating to real property improvements, if any, payable to Seller under all policies insuring the improvements plus receive a credit from the Seller at Closing in an amount equal to the deductible not covered by insurance, or b) terminate the contract, thereby releasing all parties from liability hereunder. If all of the aforementioned insurance information is received by the Buyer more than ten (10) days prior to the scheduled Closing date, Buyer is to give written notification to Seller as to his election of (a) or (b) above within ten (10) days after the Buyer receipt of such information; and if not received by Buyer more than ten (10) days prior to the scheduled Closing date, Buyer may, at Buyer's option and by written notice to Seller extend the Closing date up to ten (10) days, during which time Buyer may make his election as to (a) or (b) above. Failure by Buyer to notify Seller shall constitute an election to terminate the contract. If the contract is terminated in accordance with the provisions of this paragraph, Buyer's earnest money is to be returned. Seller agrees to reimburse Buyer's cost to pay for title, survey, inspection(s) and appraisal.

12. ASSIGNABILITY OF CONTRACT.

This contract is assignable by Buyer, but not without the written consent of Seller if: a) Seller is taking back a note and deed of trust as part of the purchase price, or b) Buyer is assuming the existing note. Assignment does not relieve the parties from their obligations under the contract.

13. MISCELLANEOUS PROVISIONS.

Time is of the essence in the performance of the obligations of the parties. All references to a specified time shall mean Central Time. This contract shall be binding on and for the benefit of the parties and their respective heirs, personal representatives, executors, administrators or assigns. This contract shall be considered a contract for the sale of real property and shall be construed in accordance with the laws of the State of Missouri. This contract constitutes the entire agreement between the parties hereto and there are no other understandings, written or oral, relating to the subject matter hereof. The contract may not be changed, modified or amended, in whole or in part, except in writing signed by all parties.

14. ACCESS AND UTILITIES.

Seller agrees to permit inspections of the property by inspectors, contractors, surveyors, engineers and appraisers selected by Buyer as provided for in the contract, upon reasonable advance notice to Seller. Buyer may also be present during these inspections. Seller will arrange, at Seller's expense, to have all utilities turned on during the period specified for any inspection and the walk-through, unless utilities have been transferred to Buyer.

Date: _____

SELLER Ihmoud Michael A TR ETAL

Date: _____

BUYER City of Berkeley, Missouri

A BRANCH OFFICE OF



GREATER APPRAISAL
— NETWORK —

APPRAISAL REPORT of

**A Shell Building and Lot
8410 Airport Rd
Berkeley, Missouri 63134**

PREPARED FOR

Mr. Dalton Mertens
Economic Development Coordinator
City of Berkeley
8425 Airport Rd
Berkeley, Missouri 63134

AS OF

November 15th, 2023



GREATER ST. LOUIS APPRAISAL

*743 Leland Ave, Manager's Office
University City, MO 63130
(314)669-5049 / (314)932-2099 Fax*

February 12, 2024

Mr. Dalton Mertens
Economic Development Coordinator
City of Berkeley
8425 Airport Rd
Berkeley, Missouri 63134

Re: 8410 Airport Rd
Berkeley, Missouri 63134

Dear Mr. Mertens:

At your request and authorization, Greater St. Louis Appraisal has prepared an appraisal of the market value of the referenced property.

The subject property is a 0.53 acre site that is improved with a 1,624 gross square foot below average quality, one story commercial building. The subject was built in 1952, and is in poor condition as of the date of value. The subject benefits from a billboard on-site, which is a significant contributor to the overall value of the property.

The appraiser did not receive a copy of the billboard lease, the details of which were communicated to the appraiser via text message by the owner. The appraiser employed an extraordinary assumption that the details of the billboard lease, communicated via text message by the seller, are accurate and current. We strongly recommend that the client obtain a copy of the billboard lease prior to closing, as part of the overall due diligence procedures, as the value of the subject property would decline significantly if the details of the billboard lease are found to be incorrect, outdated, or otherwise unreliable.

We were not provided access to the interior of the property, as the owner was unable to enter the property during our inspection. We were instructed by the owner and the City of Berkeley to assume that the interior of the property is essentially a complete gut-rehab and have employed this extraordinary assumption in our analysis.

SWOT ANALYSIS (STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS)

Strengths/Opportunities

- Location directly across from City Hall and on Airport Road, within reasonable distance from Interstate.
- The billboard located on site is a positive income stream for the property, which is otherwise presently vacant and in poor condition.

Weaknesses/Threats

- The current market for re-development properties is strong, but a change in market conditions has a major impact on re-development properties and land, as these values are most cyclical.
- If the billboard income stream were to stop, this would represent a significant decline in value for the property. We also did not receive a copy of the billboard lease, the details of which were only verified via text message, for which we employed the extraordinary assumption that these details were correct and accurate. We strongly recommend that the client obtain a copy of the billboard lease prior to closing, and ensure the details confirmed via text message.

The purpose of the appraisal is to estimate the market value of the subject as-is as of November 15th, 2023, the date of our inspection. The intended use of the appraisal is for internal decision making purposes. The intended user is City of Berkeley and/or assigns. The interest appraised is the fee simple estate. The date to which the value estimate shall apply is November 15th, 2023, the date of our inspection.

MARKET VALUE CONCLUSION			
<i>Appraisal Premise</i>	<i>Interest Appraised</i>	<i>Date of Value</i>	<i>Value Conclusion</i>
"As Is"	fee simple	November 15th, 2023	\$165,000

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. This appraisal report has been prepared in accordance with our interpretation of your institutions guidelines, Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), and the Uniform Standards of Professional Appraisal Practice (USPAP), including the Competency provision. It also conforms to the Code of Professional Ethics of the Appraisal Institute and the Appraisal and Evaluation Guidelines promulgated in 2010.

Mr. Dalton Mertens
February 12, 2024
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The intended use and user of our report are specifically identified in our report as agreed upon in our engagement letter for services. As a condition of being granted the status of an intended user, any intended user who has not entered into a written agreement with Greater St. Louis Appraisal in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between Greater St. Louis Appraisal, and the client who ordered the report. No other use or user of this report is permitted by any other party for any other purpose. Dissemination of this report to any party by any non-intended users does not extend reliance to any such party, and Greater St. Louis Appraisal will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

Respectfully submitted,

GREATER ST. LOUIS APPRAISAL



Robert C. Voyles, MAI
Principal Appraiser

REAL ESTATE SALE CONTRACT

DATE: _____

1. PARTIES AND PROPERTY.

City of Berkeley, Missouri Buyer(s), agrees to purchase from Roy H. Moore undersigned Seller, real property, described as:

8436 Airport Road
Berkeley, Missouri 63134

2. INCLUSIONS AND EXCLUSIONS.

The purchase price includes all existing improvements to the property, fixtures and equipment.

3. PURCHASE PRICE.

\$ 30,000 is the total purchase price to be paid as follows:

- a. \$100.00 earnest money to be delivered to Seller within five (5) days after "Acceptance" date. **ESCROW FUNDS SHALL BE DEPOSITED WITH THE CLOSING TITLE COMPANY.**
- b. The balance is to be paid at Closing by cashier's check, wire transfer or any form acceptable to Closing agent.

4. METHOD OF FINANCING.

This contract is not contingent upon financing; however, Buyer reserves the right to finance any portion of the purchase price.

5. CLOSING AND POSSESSION.

The "Closing" is the exchange of the Seller's deed for the total purchase price. Seller shall be deemed to have received funds when funds are received by Seller or Seller's title company. The Closing of this sale shall take place at Investors Title Company or any other date that both parties agree in writing. Buyer and Seller may close at the title company of their choice. Title will pass when the sale is closed. Seller to deliver possession of the property and keys to Buyer no later than Closing. All parties agree to sign Closing documents at a time that facilitates this possession. Seller warrants that the property will be vacant and free of personal property and debris, at time of possession and delivered to Buyer in its same condition (together with any improvements or repairs required by this contract), ordinary wear and tear excepted, as it was on the date of this contract. Buyers should change locks and codes following possession.

6. TITLE.

Seller shall transfer title to Buyer by general warranty deed. Seller to Order, Provide and Purchase Title. Not later than ten (10) days after the "Acceptance Deadline" date, Seller will order a commitment for title insurance to be provided to the Buyer for both an Owner's policy of title insurance and for a lender's policy of title insurance (if required by lender) in the latest ALTA form including mechanics lien coverage from the title company. Seller shall pay for the title insurance (including title premium and title service charges), at Closing. Buyer may, at Buyer's option and expense, order a title examination and commitment to issue an Owner's and/or lender's policy. This should be ordered promptly after contract acceptance to allow sufficient time to obtain and review documents, and, if necessary, object to defects that may be discovered.

7. ADJUSTMENTS AND CLOSING COSTS.

Buyer shall pay for (where applicable):

- title company charges (for example: Closing, recording, escrow, wire and closing protection letter fees) customarily paid by Buyer;
- any charges imposed by lender (for example: appraisal and credit report fees, loan discount points, loan origination fees, funding fees, and other loan expenses), unless specifically agreed to be paid by Seller;
- building, termite, and environmental inspections;
- agreed upon repairs.

Seller shall pay for (where applicable):

- existing loans on property;
- title company charges (for example: Closing, release, escrow, wire and closing protection letter fees) customarily paid by Seller
- special taxes and special assessments levied before Closing; and

Buyer and Seller shall have prorated and adjusted between them on the basis of thirty (30) days to the month as of the date of Closing (Seller to pay for last day):

- general taxes (based on assessment and rate for current year, if both are available, otherwise based on previous year);
- district improvement assessments for current year; Buyer to pay thereafter;
- flat rate utility charges (including water, sewer, and trash).

8. INSPECTIONS, DISCLAIMERS, AND WARRANTIES.

Within fifteen (15) days after the "Acceptance Deadline" date (the "Inspection Period"), Buyer may inspect the property for environmental hazards. The Buyer's Inspection Period will end upon the delivery of the Inspection Notice described below or the time stated above, whichever occurs first. Failure by Buyer to purchase and perform an inspection within the time stated above shall constitute a waiver and acceptance of any conditions an inspection would have disclosed.

Within the Inspection Period, Buyer shall furnish a written Inspection Notice to Seller stating one of the following:

- (1) Buyer is satisfied with the inspections. Delivery of inspection reports to Seller is not required. If Seller has not received the written Inspection Notice by the end of the Inspection Period, Buyer shall be deemed to be satisfied with the results of any inspections.
- (2) Buyer is terminating the contract, with earnest money to be returned to Buyer, subject to paragraph 12. In this case, Buyer shall have purchased one or more home inspection report(s) from an independent qualified inspector(s), as provided for above, which together cover the substantial structural elements and systems of the property. Buyer shall provide such report(s) to Seller or if requested by Seller.
- (3) Buyer is willing to close upon satisfaction of the requirements set forth in the Inspection Notice which must be accompanied by a complete copy of the written inspection report(s), purchased by Buyer. The parties have a total of fifteen (15) days after date of Seller receipt of the Inspection Notice (the "Resolution Period") to reach a written agreement as to the requirements set forth in the Inspection Notice, or as to an agreed upon monetary adjustment, or the contract is terminated, and earnest money deposit to be returned to Buyer. During the Resolution Period, either a written commitment by Seller to meet the requirements originally submitted by Buyer in the Inspection Notice, or a written commitment by Buyer to accept the property without such requirements, shall constitute an "agreement" for purposes of this paragraph even after earlier negotiation failed to produce an agreement.

9. EARNEST MONEY.

Buyer and Seller agree that the earnest money received in connection with this contract shall be deposited with the closing agent within ten (10) banking days after the "Acceptance Deadline" date. Any earnest money received shall be in the form of a cashier's check and shall be applied to the purchase. If any earnest money is being returned to Buyer, Buyer agrees that any expenses for services requested by Buyer may be withheld and paid to the applicable service provider(s).

10. REMEDIES.

If either party defaults in the performance of any obligation of this contract, the party claiming a default shall notify the other party in writing of the nature of the default and his election of remedy. The notifying party may, but is not required to, provide the defaulting party with a deadline for curing the default. If the default is by Buyer, Seller may either accept the earnest money as liquidated damages and release Buyer from the contract (in lieu of making any claim in court) or may pursue any remedy at law or in equity.

If the default is by Seller, Buyer may either release Seller from liability upon Seller's release of the earnest money and reimbursement to Buyer for all direct costs and expenses, as specified in Buyer's notice of default (in lieu of making any claim in court) or may pursue any remedy at law and in equity, including enforcement of sale.

In the event of litigation between the parties, the prevailing party shall recover, in addition to damages or equitable relief, the cost of litigation including reasonable attorney's fee. This provision shall survive Closing and delivery of Seller's deed to Buyer.

11. LOSS.

Risk of loss to the improvements of the property shall be borne by the Seller until title is transferred. If any improvements covered by this contract are damaged or destroyed, Seller shall immediately notify Buyer in writing of the damage or destruction, the amount of insurance proceeds payable, if any, and whether Seller intends to restore the property prior to Closing, to its condition at the time of the contract. In the event Seller restores the property to its prior condition before scheduled Closing, and provides Buyer with proof of the repairs, Buyer and Seller shall proceed with Closing. In the event the property is not to be restored to its prior condition by the Seller before Closing, Seller shall immediately provide Buyer with a copy of any policies of insurance, the name and number of the agent for each of said policies, and written authorization (if needed) for Buyer to communicate with the insurer. Buyer may either a) proceed with Closing and be entitled to the amount of insurance proceeds relating to real property improvements, if any, payable to Seller under all policies insuring the improvements plus receive a credit from the Seller at Closing in an amount equal to the deductible not covered by insurance, or b) terminate the contract, thereby releasing all parties from liability hereunder. If all of the aforementioned insurance information is received by the Buyer more than ten (10) days prior to the scheduled Closing date, Buyer is to give written notification to Seller as to his election of (a) or (b) above within ten (10) days after the Buyer receipt of such information; and if not received by Buyer more than ten (10) days prior to the scheduled Closing date, Buyer may, at Buyer's option and by written notice to Seller extend the Closing date up to ten (10) days, during which time Buyer may make his election as to (a) or (b) above. Failure by Buyer to notify Seller shall constitute an election to terminate the contract. If the contract is terminated in accordance with the provisions of this paragraph, Buyer's earnest money is to be returned. Seller agrees to reimburse Buyer's cost to pay for title, survey, inspection(s) and appraisal.

12. ASSIGNABILITY OF CONTRACT.

This contract is assignable by Buyer, but not without the written consent of Seller if: a) Seller is taking back a note and deed of trust as part of the purchase price, or b) Buyer is assuming the existing note. Assignment does not relieve the parties from their obligations under the contract.

13. MISCELLANEOUS PROVISIONS.

Time is of the essence in the performance of the obligations of the parties. All references to a specified time shall mean Central Time. This contract shall be binding on and for the benefit of the parties and their respective heirs, personal representatives, executors, administrators or assigns. This contract shall be considered a contract for the sale of real property and shall be construed in accordance with the laws of the State of Missouri. This contract constitutes the entire agreement between the parties hereto and there are no other understandings, written or oral, relating to the subject matter hereof. The contract may not be changed, modified or amended, in whole or in part, except in writing signed by all parties.

14. ACCESS AND UTILITIES.

Seller agrees to permit inspections of the property by inspectors, contractors, surveyors, engineers and appraisers selected by Buyer as provided for in the contract, upon reasonable advance notice to Seller. Buyer may also be present during these inspections. Seller will arrange, at Seller's expense, to have all utilities turned on during the period specified for any inspection and the walk-through, unless utilities have been transferred to Buyer.

SELLER Roy H. Moore

Date: _____

BUYER City of Berkeley, Missouri

Date: _____

A BRANCH OFFICE OF



APPRAISAL REPORT of

**A Shell Building and Lot
8436 Airport Rd
Berkeley, Missouri 63134**

PREPARED FOR

Mr. Dalton Mertens
Economic Development Coordinator
City of Berkeley
8425 Airport Rd
Berkeley, Missouri 63134

AS OF

November 15th, 2023



GREATER ST. LOUIS APPRAISAL

*743 Leland Ave, Manager's Office
University City, MO 63130
(314)669-5049 / (314)932-2099 Fax*

February 22, 2024

Mr. Dalton Mertens
Economic Development Coordinator
City of Berkeley
8425 Airport Rd
Berkeley, Missouri 63134

Re: 8436 Airport Rd
Berkeley, Missouri 63134

Dear Mr. Mertens:

At your request and authorization, Greater St. Louis Appraisal has prepared an appraisal of the market value of the referenced property.

The subject property is a 0.23 acre site that is improved with a 352 gross square foot below average quality, one story commercial building. The subject was built in 1970, and is in poor condition as of the date of value.

SWOT ANALYSIS (STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS)

Strengths/Opportunities

- Location not far from City Hall and on Airport Road, within reasonable distance from Interstate.

Weaknesses/Threats

- The current market for re-development properties is strong, but a change in market conditions has a major impact on re-development properties and land, as these values are most cyclical.
- **The subject real estate taxes are not paid and current. Per the St. Louis County Assessor, past due taxes total \$14,383. We strongly urge the client to ensure that they do not overpay for the property after consideration of past due taxes.**
- The subject is a former fuel station, which carries an inherent risk of possible environmental contamination due to historical use. Please see the extraordinary assumption on the following page regarding possible environmental risk.

We were provided with a letter by the Department of Natural Resources dated June 15th, 1990, which states:

“The department of Natural Resources has received your Underground Storage Tank Closure report. This report addresses the requirements for sites with minimal or no contamination. Based on a review of this data, the closure of the site appears complete. The Department reserves the right to request corrective action should an unforeseen problem arise in the future.

As such, the Department of Natural Resources appears to consider that it is possible that an unforeseen problem may arise in the future. This report is dated 1990, and it is possible that in the prior 34 years an unforeseen problem may have arisen, or may arise.

We are not experts in identifying environmental conditions. We recommend the client obtain a current environmental report to determine if any environmental conditions exist, and have made the extraordinary assumption in our analysis that no conditions are present.

The purpose of the appraisal is to estimate the market value of the subject as-is as of November 15th, 2023, the date of our inspection. The intended use of the appraisal is for internal decision making purposes. The intended user is City of Berkeley and/or assigns. The interest appraised is the fee simple estate. The date to which the value estimate shall apply is November 15th, 2023, the date of our inspection.

MARKET VALUE CONCLUSION			
<i>Appraisal Premise</i>	<i>Interest Appraised</i>	<i>Date of Value</i>	<i>Value Conclusion</i>
“As If Real Estate Taxes were Paid and Current”	fee simple	November 15 th , 2023	\$47,500
“Effective Market Value after consideration of Past Due Taxes”	fee simple	November 15 th , 2023	\$33,117*

**This figure is not rounded. Please note, it is also common for the seller to pay their pro-rata share of current year taxes, which would further reduce the effective sale price. We have provided information to the client, as they are not a bank, nor real estate professionals, and it may be helpful to the client to understand that it is common practice to reduce the sale price by past due taxes and pro rata taxes.*

Mr. Dalton Mertens
February 22, 2024
Page 2

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. This appraisal report has been prepared in accordance with our interpretation of your institutions guidelines, Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), and the Uniform Standards of Professional Appraisal Practice (USPAP), including the Competency provision. It also conforms to the Code of Professional Ethics of the Appraisal Institute and the Appraisal and Evaluation Guidelines promulgated in 2010.

The intended use and user of our report are specifically identified in our report as agreed upon in our engagement letter for services. As a condition of being granted the status of an intended user, any intended user who has not entered into a written agreement with Greater St. Louis Appraisal in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between Greater St. Louis Appraisal, and the client who ordered the report. No other use or user of this report is permitted by any other party for any other purpose. Dissemination of this report to any party by any non-intended users does not extend reliance to any such party, and Greater St. Louis Appraisal will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

Respectfully submitted,

GREATER ST. LOUIS APPRAISAL



Robert C. Voyles, MAI
Principal Appraiser

REAL ESTATE SALE CONTRACT

DATE: _____

1. PARTIES AND PROPERTY.

City of Berkeley, Missouri Buyer(s), agrees to purchase from PG Properties LLC undersigned Seller, real property, described as:

6243 and 6263 North Hanley Road
Berkeley, Missouri 63134

2. INCLUSIONS AND EXCLUSIONS.

The purchase price includes all existing improvements to the property, fixtures and equipment.

3. PURCHASE PRICE.

\$ 85,000 is the total purchase price to be paid as follows:

- a. \$100.00 earnest money to be delivered to Seller within five (5) days after "Acceptance" date. **ESCROW FUNDS SHALL BE DEPOSITED WITH THE CLOSING TITLE COMPANY.**
- b. The balance is to be paid at Closing by cashier's check, wire transfer or any form acceptable to Closing agent.

4. METHOD OF FINANCING.

This contract is not contingent upon financing; however, Buyer reserves the right to finance any portion of the purchase price.

5. CLOSING AND POSSESSION.

The "Closing" is the exchange of the Seller's deed for the total purchase price. Seller shall be deemed to have received funds when funds are received by Seller or Seller's title company. The Closing of this sale shall take place at Investors Title Company or any other date that both parties agree in writing. Buyer and Seller may close at the title company of their choice. Title will pass when the sale is closed. Seller to deliver possession of the property and keys to Buyer no later than Closing. All parties agree to sign Closing documents at a time that facilitates this possession. Seller warrants that the property will be vacant and free of personal property and debris, at time of possession and delivered to Buyer in its same condition (together with any improvements or repairs required by this contract), ordinary wear and tear excepted, as it was on the date of this contract. Buyers should change locks and codes following possession.

6. TITLE.

Seller shall transfer title to Buyer by general warranty deed. Seller to Order, Provide and Purchase Title. Not later than ten (10) days after the "Acceptance Deadline" date, Seller will order a commitment for title insurance to be provided to the Buyer for both an Owner's policy of title insurance and for a lender's policy of title insurance (if required by lender) in the latest ALTA form including mechanics lien coverage from the title company. Seller shall pay for the title insurance (including title premium and title service charges), at Closing. Buyer may, at Buyer's option and expense, order a title examination and commitment to issue an Owner's and/or lender's policy. This should be ordered promptly after contract acceptance to allow sufficient time to obtain and review documents, and, if necessary, object to defects that may be discovered.

7. ADJUSTMENTS AND CLOSING COSTS.

Buyer shall pay for (where applicable):

- title company charges (for example: Closing, recording, escrow, wire and closing protection letter fees) customarily paid by Buyer;
- any charges imposed by lender (for example: appraisal and credit report fees, loan discount points, loan origination fees, funding fees, and other loan expenses), unless specifically agreed to be paid by Seller;
- building, termite, and environmental inspections;
- agreed upon repairs.

Seller shall pay for (where applicable):

- existing loans on property;
- title company charges (for example: Closing, release, escrow, wire and closing protection letter fees) customarily paid by Seller
- special taxes and special assessments levied before Closing; and

Buyer and Seller shall have prorated and adjusted between them on the basis of thirty (30) days to the month as of the date of Closing (Seller to pay for last day):

- general taxes (based on assessment and rate for current year, if both are available, otherwise based on previous year);
- district improvement assessments for current year; Buyer to pay thereafter;
- flat rate utility charges (including water, sewer, and trash).

8. INSPECTIONS, DISCLAIMERS, AND WARRANTIES.

Within fifteen (15) days after the "Acceptance Deadline" date (the "Inspection Period"), Buyer may inspect the property for environmental hazards. The Buyer's Inspection Period will end upon the delivery of the Inspection Notice described below or the time stated above, whichever occurs first. Failure by Buyer to purchase and perform an inspection within the time stated above shall constitute a waiver and acceptance of any conditions an inspection would have disclosed.

Within the Inspection Period, Buyer shall furnish a written Inspection Notice to Seller stating one of the following:

- (1) Buyer is satisfied with the inspections. Delivery of inspection reports to Seller is not required. If Seller has not received the written Inspection Notice by the end of the Inspection Period, Buyer shall be deemed to be satisfied with the results of any inspections.
- (2) Buyer is terminating the contract, with earnest money to be returned to Buyer, subject to paragraph 12. In this case, Buyer shall have purchased one or more home inspection report(s) from an independent qualified inspector(s), as provided for above, which together cover the substantial structural elements and systems of the property. Buyer shall provide such report(s) to Seller or if requested by Seller.
- (3) Buyer is willing to close upon satisfaction of the requirements set forth in the Inspection Notice which must be accompanied by a complete copy of the written inspection report(s), purchased by Buyer. The parties have a total of fifteen (15) days after date of Seller receipt of the Inspection Notice (the "Resolution Period") to reach a written agreement as to the requirements set forth in the Inspection Notice, or as to an agreed upon monetary adjustment, or the contract is terminated, and earnest money deposit to be returned to Buyer. During the Resolution Period, either a written commitment by Seller to meet the requirements originally submitted by Buyer in the Inspection Notice, or a written commitment by Buyer to accept the property without such requirements, shall constitute an "agreement" for purposes of this paragraph even after earlier negotiation failed to produce an agreement.

9. EARNEST MONEY.

Buyer and Seller agree that the earnest money received in connection with this contract shall be deposited with the closing agent within ten (10) banking days after the "Acceptance Deadline" date. Any earnest money received shall be in the form of a cashier's check and shall be applied to the purchase. If any earnest money is being returned to Buyer, Buyer agrees that any expenses for services requested by Buyer may be withheld and paid to the applicable service provider(s).

10. REMEDIES.

If either party defaults in the performance of any obligation of this contract, the party claiming a default shall notify the other party in writing of the nature of the default and his election of remedy. The notifying party may, but is not required to, provide the defaulting party with a deadline for curing the default. If the default is by Buyer, Seller may either accept the earnest money as liquidated damages and release Buyer from the contract (in lieu of making any claim in court) or may pursue any remedy at law or in equity.

If the default is by Seller, Buyer may either release Seller from liability upon Seller's release of the earnest money and reimbursement to Buyer for all direct costs and expenses, as specified in Buyer's notice of default (in lieu of making any claim in court) or may pursue any remedy at law and in equity, including enforcement of sale.

In the event of litigation between the parties, the prevailing party shall recover, in addition to damages or equitable relief, the cost of litigation including reasonable attorney's fee. This provision shall survive Closing and delivery of Seller's deed to Buyer.

11. LOSS.

Risk of loss to the improvements of the property shall be borne by the Seller until title is transferred. If any improvements covered by this contract are damaged or destroyed, Seller shall immediately notify Buyer in writing of the damage or destruction, the amount of insurance proceeds payable, if any, and whether Seller intends to restore the property prior to Closing, to its condition at the time of the contract. In the event Seller restores the property to its prior condition before scheduled Closing, and provides Buyer with proof of the repairs, Buyer and Seller shall proceed with Closing. In the event the property is not to be restored to its prior condition by the Seller before Closing, Seller shall immediately provide Buyer with a copy of any policies of insurance, the name and number of the agent for each of said policies, and written authorization (if needed) for Buyer to communicate with the insurer. Buyer may either a) proceed with Closing and be entitled to the amount of insurance proceeds relating to real property improvements, if any, payable to Seller under all policies insuring the improvements plus receive a credit from the Seller at Closing in an amount equal to the deductible not covered by insurance, or b) terminate the contract, thereby releasing all parties from liability hereunder. If all of the aforementioned insurance information is received by the Buyer more than ten (10) days prior to the scheduled Closing date, Buyer is to give written notification to Seller as to his election of (a) or (b) above within ten (10) days after the Buyer receipt of such information; and if not received by Buyer more than ten (10) days prior to the scheduled Closing date, Buyer may, at Buyer's option and by written notice to Seller extend the Closing date up to ten (10) days, during which time Buyer may make his election as to (a) or (b) above. Failure by Buyer to notify Seller shall constitute an election to terminate the contract. If the contract is terminated in accordance with the provisions of this paragraph, Buyer's earnest money is to be returned. Seller agrees to reimburse Buyer's cost to pay for title, survey, inspection(s) and appraisal.

12. ASSIGNABILITY OF CONTRACT.

This contract is assignable by Buyer, but not without the written consent of Seller if: a) Seller is taking back a note and deed of trust as part of the purchase price, or b) Buyer is assuming the existing note. Assignment does not relieve the parties from their obligations under the contract.

13. MISCELLANEOUS PROVISIONS.

Time is of the essence in the performance of the obligations of the parties. All references to a specified time shall mean Central Time. This contract shall be binding on and for the benefit of the parties and their respective heirs, personal representatives, executors, administrators or assigns. This contract shall be considered a contract for the sale of real property and shall be construed in accordance with the laws of the State of Missouri.

This contract constitutes the entire agreement between the parties hereto and there are no other understandings, written or oral, relating to the subject matter hereof. The contract may not be changed, modified or amended, in whole or in part, except in writing signed by all parties.

14. ACCESS AND UTILITIES.

Seller agrees to permit inspections of the property by inspectors, contractors, surveyors, engineers and appraisers selected by Buyer as provided for in the contract, upon reasonable advance notice to Seller. Buyer may also be present during these inspections. Seller will arrange, at Seller's expense, to have all utilities turned on during the period specified for any inspection and the walk-through, unless utilities have been transferred to Buyer.

SELLER PG Properties LLC

Date: _____

BUYER City of Berkeley, Missouri

Date: _____

A BRANCH OFFICE OF



GREATER APPRAISAL
— NETWORK —

APPRAISAL REPORT of

VACANT LAND

**6243-6263 N. Hanley Rd
Berkeley, Missouri 63134**

PREPARED FOR

Mr. Dalton Mertens
Economic Development Coordinator
City of Berkeley
8425 Airport Rd
Berkeley, Missouri 63134

AS OF

November 15th, 2023



GREATER ST. LOUIS
APPRAISAL

743 Leland Ave, Manager's Office
University City, MO 63130
(314)669-5049 / (314)932-2099 Fax

February 7, 2024

Mr. Dalton Mertens
Economic Development Coordinator
City of Berkeley
8425 Airport Rd
Berkeley, Missouri 63134

Re: 6243-6263 N. Hanley Rd
Berkeley, Missouri 63134

Dear Mr. Mertens:

At your request and authorization, Greater St. Louis Appraisal has prepared an appraisal of the market value of the referenced property.

The subject property consists of 2 non-contiguous parcels of vacant land. The two parcels total 83,635 square feet, of which 64,033 is located on one parcel, and 19,602 is located on another. Both parcels are situated within Berkeley, Missouri.

Our report employs the extraordinary assumption that the sites are generally free from damaging cross-cutting easements, which might otherwise impact the valuation of the site. We did request a copy of an ALTA survey from Dalton Mertens, who stated such a survey is unavailable. Our scope of professional services does not include title work, easement research, or researching plats. We recommend the client obtain an ALTA survey to verify the above prior to acquiring the site.

The purpose of the appraisal is to estimate the market value of the subject as-is as of November 15th, 2023, the date of our inspection. The intended use of the appraisal is for internal decision making purposes. The intended user is City of Berkeley and/or assigns. The interest appraised is the fee simple estate. The date to which the value estimate shall apply is November 15th, 2023, the date of our inspection.

MARKET VALUE CONCLUSION			
<i>Appraisal Premise</i>	<i>Interest Appraised</i>	<i>Date of Value</i>	<i>Value Conclusion</i>
"As Is"	fee simple	November 15th, 2023	\$95,000

Mr. Dalton Mertens
February 7, 2024
Page 2

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. This appraisal report has been prepared in accordance with our interpretation of your institutions guidelines, Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), and the Uniform Standards of Professional Appraisal Practice (USPAP), including the Competency provision. It also conforms to the Code of Professional Ethics of the Appraisal Institute and the Appraisal and Evaluation Guidelines promulgated in 2010.

The intended use and user of our report are specifically identified in our report as agreed upon in our engagement letter for services. As a condition of being granted the status of an intended user, any intended user who has not entered into a written agreement with Greater St. Louis Appraisal in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between Greater St. Louis Appraisal, and the client who ordered the report. No other use or user of this report is permitted by any other party for any other purpose. Dissemination of this report to any party by any non-intended users does not extend reliance to any such party, and Greater St. Louis Appraisal will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

Respectfully submitted,

GREATER ST. LOUIS APPRAISAL

Robert C. Voyles, MAI
Principal Appraiser

CERTIFICATION

We certify that, to the best of our knowledge and belief, ...

1. the statements of fact contained in this report are true and correct.
2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. we have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan.
8. the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice (USPAP)*.
9. the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. as of the date of this report, Robert C. Voyles has completed the continuing education program of the Appraisal Institute.
11. as of the date of this report, Robert C. Voyles has completed the Standards and Ethics Education Requirement for Members of the Appraisal Institute.
12. Mr. Voyles made a personal inspection of the property that is the subject of this appraisal report.
13. no one provided significant real property appraisal assistance to the person(s) signing this certification.
14. no services regarding the subject have been performed within the three year period immediately preceding acceptance of this assignment, as an appraiser or in any other capacity.

Robert C. Voyles, MAI
Missouri Certified General R.E. Appraiser
License Number 2014011622
Illinois Certified General R.E. Appraiser
License Number 553.002509