

## OPTION TO PURCHASE

This Option to Purchase is made between Muldee Limited Partnership, a North Carolina Limited Partnership, hereinafter referred to as "Seller," and the City of Durham, hereinafter referred to as "City."

The Seller, for one dollar paid to it at the time of signing this Option, grants to the City the exclusive option to purchase the following, together with all other improvements located on it, in the County of Durham, North Carolina, described as follows (hereinafter referred to as the "Property"):

**BEING all of Lot 2 of the "Property of Anjel M. Addison, Jr." as per plat and survey thereof on file in the Office of the Register of Deeds of Durham County in Plat Book 95 at Page 116, to which plat reference is hereby made for a more particular description of same.**

**Same being identified by the Durham County Tax Office as Parcel Reference No.: 159525.**

The terms and conditions of this Option are as follows:

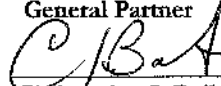
1. Terms: This Option shall exist and continue until midnight on December 31, 2014.
2. Terms of Option: The terms on pages one and two of this document are a part of this Option.
3. Purchase Price: The purchase price for the subject property shall be **One Million Dollars and No Cents (\$1,000,000.00)**, paid by check or wire transfer on an account of the City.
4. The Seller represents and warrants that, as of the date of this Option and as of the date of conveyance of the Property to the City, it is not aware of any reason to suspect that the Property contains any "Environmental Contamination." If before closing the City discovers any reason to suspect that the Property contains any Environmental Contamination, it may rescind any obligations to purchase the Property. This Section 4 shall not be construed to reduce any rights that the City may have with respect to Environmental Contamination that would exist in the absence of this Section 4. The parties stipulate that the City is relying on this Section 4 in acquiring the Property. This Section 4 shall survive the deed and closing.
5. "Environmental Contamination" means petroleum products (including but not limited to oil, gasoline, and kerosene), hazardous wastes, hazardous substances, hazardous materials, toxic substances, toxic wastes, hazardous air pollutants, and toxic pollutants, as those terms are used in any federal, state, or local laws, rules, regulations, codes, and ordinances, as amended from time to time.

IN WITNESS WHEREOF, the Seller has caused this Option to be signed in its partnership name by its duly authorized General Partner and its seal to be hereto affixed by authority of its General Partners.

This the 11<sup>TH</sup> day of SEPTEMBER, 2014.

**Muldee Limited Partnership**

**By: Roadmark Properties, Inc.,  
General Partner**

By:  (SEAL)  
**Christopher J. Bailey,  
Vice President**

## STANDARD OPTION TERMS

1. Deed: After the Option is exercised and before the expiration of the Term, if the Seller has marketable record title to the Property, the Seller shall execute and deliver to the City a general warranty deed conveying a good and marketable title, free of all encumbrances except for utility easements and unviolated restrictive covenants if those easements and covenants do not materially affect the value or use of the Property in the City's opinion. If the Seller does not have marketable record title to the Property (such matters as mortgages, judgments, "heirs" property, defects in the title, and other are considered to prevent the title from being marketable record title), then the Term shall be extended by a reasonable period of time sufficient to allow the City to be satisfied that the title the City would acquire by the deed from the Seller would be marketable or otherwise satisfactory to the City. If the Seller is unable to provide title that is good and marketable, as defined in the first sentence of this section, the City may choose not to acquire the Property. On or before the expiration of the Term, if the City exercises the Option, the City shall deliver to the Seller a deed for the Seller to execute. Unless otherwise agreed in this Option, the title shall be fee simple.
2. Taxes and Rents: (a) Ad valorem real property taxes on the Property shall be prorated on a calendar year basis to the date of closing. Ad valorem taxes on personal property for the entire year shall be paid by Seller. A modification of this Option to the effect that property taxes will be prorated will affect only real property taxes, unless "personal property taxes" are specifically mentioned.
3. Right of Entry: After the signing of this Option, the City, its agents, and its contractors may enter upon the Property for purposes related to the acquisition of the Property. The City shall provide to Seller 48 hour notice prior to entry upon the Property.
4. Charges: The Seller shall pay for the revenue stamps required by law. The City shall prepare the deed of conveyance at no expense to the Seller and record it at no cost to the Seller.
5. Option: This Option shall be binding upon and shall inure to the benefit of the parties, and their heirs, personal representatives, successors, and assigns. Throughout this Option, unless the context otherwise requires, the use of the plural includes the singular and vice versa. This Option contains the entire agreement between the parties, and no representations as to the Option or purchase of the Property that may have been made will be binding unless expressed in this instrument. This Option shall be construed according to North Carolina law.
6. Exercise: If City Council approval is needed, then this Option shall be considered to be exercised when the City Council approves it and no notice needs to be given to the Seller. If Council approval is not necessary and the City Manager may exercise this Option, then this Option may be exercised either by delivery of a deed to be signed by the Seller or by the mailing or hand-delivery of a letter stating the intent to exercise, to any of the persons constituting the Seller. This Option shall be void unless it is exercised before midnight on December 31, 2014.
7. Description: If the description of the Property in this Option is ambiguous or imprecise in the opinion of the City, the City shall designate in the deed the precise boundaries of the Property to be acquired.
8. No Broker: The City represents and acknowledges that it has not retained and is not represented by a real estate broker.
9. Back-up Offers: The City acknowledges that Seller will be accepting "back-up" offers to purchase the property and that TIME IS OF THE ESSENCE in all matters relating to this Option.