

OPTION TO PURCHASE REAL ESTATE

Option given 3-18-2002 [date], by Robert Hogrefe et al. of 657 East Riverview, City of Napoleon, County of Henry, State of Ohio, (whether one or more) Optionor, to the City of Napoleon, Ohio, a Municipal Corporation, of 255 W. Riverview, City of Napoleon, County of Henry, State of Ohio, Optionee.

Section I Grant of Options

Optionor, in consideration of three thousand dollars (\$3,000.00) paid by Optionee to Optionor, receipt of which is acknowledged by Optionor, grants to Optionee the exclusive right and option to purchase, on the following terms and conditions herein set forth, the following described parcels of land known as Parcels 1, 2, 3, and 4, in one or more parcel purchases, all in the City of Napoleon, County of Henry, State of Ohio, described more fully as set forth in Exhibit "A" attached hereto and made a part hereof together with any improvements thereon. The options to purchase shall remain valid unless otherwise terminated in accordance with the terms and conditions herein set forth. The exercising on an option to purchase on an identified property herein listed shall constitute a "Contract for Sale" of the Parcel in accordance with the terms and conditions herein set forth. Notice of Optionee exercising the option at any time between the execution of this Agreement and the end of any above listed option period shall create a binding contract for purchase and sale of the parcel as set forth herein.

Section II Option Period

The term of this Option for Parcel 1 will be one year, commencing on March 18, 2002 and continuing until 11:59 PM on March 18, 2003.

The term of this Option for Parcel 2 will be one year, commencing on March 18, 2002 and continuing until 11:59 PM, on March 18, 2003.

The term of this Option for Parcel 3 will be two years commencing on March 18, 2002, and continuing until 11:59 PM, on March 18, 2004.

The term of this Option for Parcel 4 will be seven years; however, the first date to exercise the option by Optionee shall be on March 18, 2009, and continuing until 11:59 PM, on March 18, 2011, unless otherwise agreed to by the parties.

Section III Purchase Price of Parcel

The full purchase price of Parcel 1 is a not to exceed amount of ten thousand dollars (\$10,000.00), per acre, and that amount will be payable as provided herein if Optionee elects to exercise this Option. Actual sale price shall be

the appraised amount as determined by an Ohio licensed or certified appraiser whom is agreed upon by the representative of the Optionor, Attorney Harold Plassman, and the representative of the Optionee being Albert Blackwood or as an alternative, the Optionee's City Manager, or ten thousand dollars (\$10,000.00), per acre, whichever is less.

The full purchase price of Parcel 2 is a not to exceed amount of three thousand dollars (\$3,000.00), per acre, and that amount will be payable as provided herein if Optionee elects to exercise this Option. Actual sale price shall be the appraised amount as determined by an Ohio licensed or certified appraiser whom is agreed upon by the representative of the Optionor, Attorney Harold Plassman, and the representative of the Optionee being Albert Blackwood or as an alternative, the Optionee's City Manager, or \$3,000, per acre, whichever is less.

The full purchase price of Parcel 3 is a not to exceed amount of one dollar (\$1.00), per acre, and that amount will be payable as provided herein if Optionee elects to exercise this Option.

The full purchase price of Parcel 4 shall be the appraised amount as determined by an Ohio licensed or certified appraiser whom is agreed upon by the representative of the Optionor, Attorney Harold Plassman, and the representative of the Optionee being Albert Blackwood or as an alternative, the Optionee's City Manager. In the alternative of Optionor making the cash payment, Optionor may elect to have seven contiguous acres of land in the City's Commerce Park at a location determined in the sole discretion of the Optionee [being part of the herein acquired parcel 1 if purchased pursuant to this Option Agreement] subject to availability and zoning.

Section IV Application of Consideration to Purchase Price

If Optionee purchases any parcel described in this Option, and under its terms and conditions, the consideration paid for this Option will be applied prorata to the purchase price, including any other payments (prorata) made for the extension of this Option or any part thereof or resulting agreement in current funds upon transfer of title.

Section V Exercise of Option

Optionee may exercise the option for any parcel described herein by giving Optionor written notice, signed by Optionee, before the time set for expiration. The mere exercise of the option by Optionee on any one parcel herein listed does not bar the Optionee from later in time executing another option on another herein listed parcel so long as the expiration date for said parcel has not expired; nor, does the mere exercise of an option on a parcel herein listed require Optionee to execute all other remaining options, except that an option exercised by Optionee on Parcel 1, 2, or 4 and a completed sale on Parcel 1, 2, or 4, obligates Optionee, notwithstanding any environmental contamination later discovered by Optionee, to exercise option 3 before the expiration date. Within thirty (30) days after receipt of notice, Optionor will deliver to Optionee, against payment of the purchase price on the optioned parcel, a general warranty deed to the parcel. Tender of Optionee's valid check for the purchase price less any amount already paid by Optionee and to be credited to Optionee, will constitute a sufficient tender.

Section VI Proof of Title & Fees

At least fifteen (15) days prior to closing on each parcel, Optionor will furnish, at Optionor's expense, a commitment for the issuance to Optionee of an owner's policy of title insurance dated subsequent to the date of the exercise of the option to purchase by Optionee, covering said parcel in the amount of the purchase price. It shall reflect marketable title in Optionor, in fee simple, free and clear of all liens and encumbrances, except: zoning ordinances, easement and restrictions of record, real estate taxes due and payable after date of closing, and any mortgage liens which are to be paid in full and released at closing.

If title evidence reveals any defects, Optionor shall have thirty (30) days after demand by Optionee to remove such defect and closing shall be extended accordingly. If Optionor is unable or unwilling to remove the defect within such thirty (30) day period, Optionee may accept title subject to such defect or may terminate the Option to purchase.

The real property taxes on the property, whether a lien or not, assessed or to be assessed for the year in which this transaction is finally consummated will be prorated between the parties to the date of delivery of the deed of conveyance; if the taxes are not ascertainable at the time of delivery of the deed of conveyance, the amount of the prior year's taxes will be used as a basis of proration. Any special assessments and special ad valorem levies will be paid by Optionor whether the same be payable in a lump sum, in installments, or otherwise.

If at any time before the consummation of the purchase and sale under this Option it appears from laws, regulations, and/or ordinances, either national, state, or local, or for any other reason, that Optionee is unable to obtain necessary environmental permits, funds for purchasing and/or cleaning up contaminated property, then Optionee may terminate the option as to any above identified parcel and be under no obligation to complete the purchase. All exercise of options are subject to appropriation of funds.

Optionor shall pay the Henry County conveyance fee and the cost to release any mortgage or other lines. Optionee shall pay the cost to record the deeds to Optionee and any mortgage obtained by Optionee.

Section VII Failure To Exercise Option

If Optionee does not exercise an option as identified in Section III before its expiration, unless otherwise extended in writing by the parties, that specific option and the rights of Optionee associated therewith will automatically and immediately terminate without notice. In the event Optionee fails to exercise any specifically identified option as set forth in Section III, Optionor will retain the sum paid as consideration for that option [consideration paid considered prorata as to each property listed].

Section VIII Notices

All notices provided for here in this Option will be deemed duly given when deposited in the United States mail with proper and sufficient postage affixed, properly addressed to the party for whom intended at the party's above listed

address, or when delivered personally to that party.

OPTIONOR: Robert Hogrefe
657 E. Riverview
Napoleon, Ohio 43545

OPTIONEE: City Manager
255 W. Riverview
Napoleon, Ohio 43545

Section IX Survey

Optionee may have the property surveyed at Optionee's expense. If such survey is made, the survey description shall be used in Optionor's deed conveying the parcel to Optionee. It is a condition of this transaction that such survey will not disclose any deficiencies in the size or dimensions of the parcel or encroachments from within or without. If Optionor fails or is unable to cure any deficiencies and/or encroachments disclosed by such survey, Optionee may upon notice to Optionor terminate this Contract. The Optionor grants permission to the Optionee to make any surveys and/or sub-surface soil investigations as the Optionee deems necessary to verify uniform and consistent subsurface conditions, which are conducive to its intended use. Said surveys and subsurface soil investigations may be made during the period of this Option at Optionee's expense. Optionee is to restore property to condition as found prior to any tests conducted.

Section X Risk of Loss

Risk of loss or damage to said parcels shall be borne by the Optionor until delivery of deed. If any parcel is substantially damaged or destroyed by fire or other casualty prior to closing, Optionee may elect to either proceed with closing or receive all insurance proceeds, if any, payable to Optionor under any policy or insurance covering the parcel being purchased hereunder or to terminate the option to purchase.

Section XI Miscellaneous

PARCEL – The term "Parcel" as used herein shall include all real property, buildings, improvements, equipment, trade fixtures, and all items of personal property (except inventory) located on or used in connection with the operation of the property.

ASSIGNMENT – ENTIRETY OF AGREEMENT – This Option(s), and the Contract of purchase resulting from its exercise, shall each be assignable, by Optionee and Optionor, and shall be binding upon and inure to the benefit of the respective heirs, representatives, successors, and assigns of the parties hereto. This writing embodies the entire agreement and there are no representations, promises, understandings, or agreements between the parties which are not set forth herein.

COOPERATION - Both parties agree to cooperate and execute any documents necessary and testify in front of any boards or commissions in order to parcel off the real property that is the subject of this Option to Purchase Real

Estate Agreement.

WARRANTY - The persons executing this Option warrant that they have full power and authority to do so.

**Section XII
Time of Essence**

Time is of the essence of this Option.

**Section XIII
Binding Effect**

This Option will bind inure to the benefit of the parties to it, and to their respective heirs, successors, or assigns.

IN WITNESS WHEREOF: the Optionor, Robert Hogrefe, a married man of legal age, has executed this Option at Napoleon, Henry County, Ohio, this 18th day of March, 2002.

Signed and acknowledged in the presence of:

[Signature]

Robert Hogrefe
Robert Hogrefe

Sheryl K. Rathge

STATE OF OHIO }
 }
COUNTY OF HENRY } SS:

Before me a Notary Public in and for said County, personally appeared the above named Robert Hogrefe, the Optionor, who acknowledged that he did sign the foregoing instrument and that the same is his free act and deed.

IN TESTIMONY WHEREOF; I have hereunto set my hand and seal this 18th day of March, 2002.

(seal)

Sheryl K. Rathge
Notary Public

**SHERYL K. RATHGE
NOTARY PUBLIC, STATE OF OHIO
COMMISSION EXPIRES OCTOBER 15, 2006**

IN WITNESS WHEREOF: Gertrude Hogrefe, the spouse of the Optionor, Robert Hogrefe, does hereby release all rights of dower for this Option this 18th day of March, 2002.

Signed and acknowledged in the presence of:

[Signature]

[Signature]
Gertrude Hogrefe

[Signature]

STATE OF OHIO }
 }
COUNTY OF HENRY } SS:

Before me a Notary Public in and for said County, personally appeared the above named Gertrude Hogrefe, the spouse of the Optionor, who acknowledged that she did sign the foregoing instrument and that the same is her free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this 18th day of March, 2002.

(seal)

[Signature]
Notary Public

SHERYL K. RATHGE
NOTARY PUBLIC, STATE OF OHIO
COMMISSION EXPIRES OCTOBER 15, 2006

IN WITNESS WHEREOF: the Optionor, Eugene Hogrefe, a married man of legal age, has executed this Option at Napoleon, Henry County, Ohio, this 1st day of May, 2002.

Signed and acknowledged in the presence of:

[Signature]

[Signature]
Eugene Hogrefe

[Signature]

STATE OF OHIO }
COUNTY OF HENRY }

SS:

Before me a Notary Public in and for said County, personally appeared the above named Eugene Hogrefe, the Optionor, who acknowledged that he did sign the foregoing instrument and that the same is his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this 1st day of May, 2002.

(seal)

Sheryl K. Rathge
Notary Public

SHERYL K. RATHGE
NOTARY PUBLIC, STATE OF OHIO
COMMISSION EXPIRES OCTOBER 15, 2006

IN WITNESS WHEREOF: Barbara Hogrefe, the spouse of the Optionor, Eugene Hogrefe, does hereby acknowledge her rights of dower for this Option this 1st day of May, 2002.

Signed and acknowledged in the presence of:

J. Andrew Small

Barbara Hogrefe
Barbara Hogrefe

Sheryl K. Rathge

STATE OF OHIO }
COUNTY OF HENRY }

SS:

Before me a Notary Public in and for said County, personally appeared the above named Barbara Hogrefe, the spouse of the Optionor, who acknowledged that she did sign the foregoing instrument and that the same is her free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this 1st day of May, 2002.

(seal)

Sheryl K. Rathge
Notary Public

SHERYL K. RATHGE
NOTARY PUBLIC, STATE OF OHIO
COMMISSION EXPIRES OCTOBER 15, 2006

IN WITNESS WHEREOF: the Optionor, Gary Hogrefe, an unmarried man of legal age, has executed this Option at Napoleon, Henry County, Ohio, this 18th day of March, 2002.

Signed and acknowledged in the presence of:

[Signature]

[Signature]
Gary Hogrefe

[Signature]

STATE OF OHIO }
 }
COUNTY OF HENRY }

SS:

Before me a Notary Public in and for said County, personally appeared the above named Gary Hogrefe, the Optionor, who acknowledged that he did sign the foregoing instrument and that the same is his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this 18th day of March, 2002.

(seal)

[Signature]
Notary Public

SHERYL K. RATHGE
NOTARY PUBLIC, STATE OF OHIO
COMMISSION EXPIRES OCTOBER 15, 2006

This instrument was prepared by:
David M. Grahn
City of Napoleon Law Director
255 W. Riverview Ave.
PO Box 151
Napoleon, Ohio 43545
419-592-3503

Approved as to form and correctness:

[Signature]
David M. Grahn, City Law Director

