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October 19, 2011

David L. Corliss
City Manager
City of Lawrence
City Hall
6 East 6th Street
P.O. Box 708
Lawrence, Kansas 66044

Re: Purchase and Sale Agreement between the City of Lawrence ("Seller") and North Mass Redevelopment, LLC ("Purchaser").

Dear Mr. Corliss:

Purchaser entered into the above referenced Purchase Agreement on October 28, 2008. The Purchase Agreement provides for an initial Purchaser feasibility period of twenty four (24) months with options to extend the feasibility period for an additional thirty-six (36) months in twelve (12) month increments, commencing on October 28, 2010 and running through October 27, 2013. Purchaser now wishes to exercise the second of its twelve (12) month extensions from October 28, 2011 through October 27, 2012. Please note neither the City nor Purchaser can find Purchaser's notice exercising its first twelve (12) month option to extend from October 28, 2010 through October 27, 2011; and no notice may have been sent. It was Purchaser's intention, however, to exercise its option to extend for the period October 28, 2010 through October 27, 2011. Purchaser has continued to work diligently on determining the feasibility of the project. During this period, Purchaser filed and won a quiet title action in order to clear up title to a number of the lots under contract. Additionally, as you are aware, Purchaser has worked with Matt Bond and the U.S. Army Corp. of Engineers in order to define a number of construction details and the levee right of way, which was never recorded and has now been established.

Please accept this letter as Purchaser's notice to exercise its first twelve (12) month extension effective for the period October 28, 2010 through October 27, 2011, as well as notice of Purchaser's intention to exercise its second twelve (12) month extension from October 28, 2011 through October 27, 2012.

If you have any questions or comments, please give me a call. Thank you.

Best Regards

A handwritten signature in black ink, appearing to read 'Tom Johnson', written over a horizontal line.

Thomas H. Johnson

Attorney for North Mass Redevelopment Group, LLC

cc. Toni Wheeler