

ORDINANCE NO. 2020- 4024

AN ORDINANCE TO AUTHORIZE THE EXPENDITURE AND DIRECT THE SAFETY SERVICE DIRECTOR TO ENTER INTO AN AGREEMENT WITH MORTON PROPERTIES, LLC IN AN AMOUNT NOT TO EXCEED \$66,600.00 FOR THE PURCHASE OF 223 S. ARCH STREET, FREMONT OHIO, AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE COUNCIL, CITY OF FREMONT, STATE OF OHIO:

SECTION 1. Council hereby authorizes the expenditure and directs the Safety Service Director to enter into an agreement with Morton Properties, LLC in an amount not to exceed \$66,600.00 for the purchase of 223 S. Arch Street, Fremont, Ohio 43420. (Exhibit A)


SECTION 2. An increase in appropriations within the following fund:

<u>General Fund 101</u>	
Parks Department	
All Other.....	\$66,600.00

SECTION 3. It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Revised Code of Ohio.

SECTION 4. The immediate operation of the provisions of this ordinance is necessary for the immediate preservation of the public peace, health, safety and welfare of the citizens of the City of Fremont, said emergency being the need to begin the property as soon as practicable.

This ordinance, provided it receives a two-thirds ye or nay vote of all the members elected to the Fremont City Council, is hereby declared to be an emergency measure and this ordinance shall be in full force and effect from and after its passage by the Council of the City of Fremont, approval by the Mayor, and publication and posting as required by law.

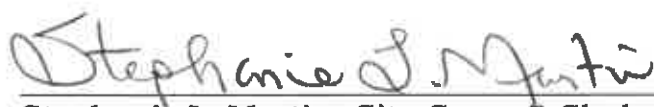


 Jamie Hafford
 President of Council

PASSED: 6-18-20

Effective date: 6-18-20

YEAS: 7 NAYS: 0


Stephanie L. Martin, City Council Clerk


Daniel R. Sanchez, Mayor

ORD11201

Approved as to form:


James F. Melle, Director of Law
City of Fremont, Ohio

PURCHASE AGREEMENT

I. **Offer.** The undersigned purchaser(s) ("Purchaser") offers to buy from the owner(s) ("Seller") the property described below ("Property") on the terms contained in this offer ("Offer"). Upon delivery of the executed acceptance ("Acceptance"), this Offer shall become a legally binding contract ("Agreement").

II. **Property.** The real property located at 223 S. Arch Street, Fremont, Ohio 43420
Parcel I.D. # 34-50-00-0320-00

The Property includes the land and all appurtenant rights, privileges and easements, all buildings and fixtures, including without limitation, all of the following as are NOW on the Property: electrical, heating, cooling, plumbing, bathroom mirrors and fixtures, awnings, screens, storm windows and doors, landscaping, disposals, TV antennas, built-in electronics wiring, ceiling fans, smoke alarms, security systems, garage door openers and controls, attached carpeting, and any of the following items that are checked: ranges/ovens microwave ovens dishwashers kitchen refrigerators water softeners window air conditioners satellite TV reception systems wall mounted TV(s) all existing window treatments all existing fireplace equipment washing machine and clothes dryer affixed gas/oil tanks not including fuel therein unless otherwise agreed by the parties; NOT Included: _____

III. **Price.** The Purchase Price shall be \$66,600.00 payable at Closing in cash, certified funds or wire transfer in immediately available funds.

IV. **Financing.** This Agreement is conditioned upon the approval and passage of Ordinance Nos. 2020-_____ and 2020-_____.

V. **Closing Costs.** The costs attributed to the Closing of the Property shall be the responsibility of Purchaser Seller Both Parties. The fees and costs related to the Closing shall include but not be limited to a title search (including the abstract and any owner's title policy), preparation of the deed, transfer taxes, recording fees, and any other costs by the title company that is in standard procedure with conducting the sale of a property.

VI. **Funds at Closing.** Purchaser and Seller agree that before the recording can take place, funds provided shall be in one (1) of the following forms: cash, interbank electronic transfer, money order, certified check or cashier's check drawn on a financial institution located in the State, or any above combination that permits the Seller to convert the deposit to cash no later than the next business day.

VII. **Closing.** This transaction shall be closed on _____, 2020 at _____ : _____ a.m./p.m. or earlier at the office of a title company to be agreed upon by the Parties ("Closing"). Any extension of the Closing must be agreed upon, in writing, by Purchaser and Seller. Real estate taxes, rents, dues, fees, and expenses relating to the Property for the year in which the sale is closed shall be prorated as of the Closing. Taxes due for prior years shall be paid by Seller.

Purchaser's Initial _____ Seller's Initials _____

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VIII. Survey. Purchaser may obtain a survey of the Property before the Closing to assure there are not defects, encroachments, overlaps, boundary line or acreage disputes, or other such matters, that would be disclosed by a survey ("Survey Problems"). The cost of the survey shall be paid by the Purchaser. Not later than __ business days prior to the Closing, Purchaser shall notify Seller of any Survey Problems which shall be deemed to be a defect in the title to the Property. Seller shall be required to remedy such defects within _____ business days and prior to the Closing.

If Seller does not or cannot remedy any such defect(s), Purchaser shall have the option of canceling this Agreement, in which case the Earnest Money shall be returned to the Purchaser.

IX. Mineral Rights. It is agreed and understood all rights under the soil, including but not limited to, water, gas, oil, and mineral rights shall be transferred by the Seller to the Purchaser at Closing.

X. Title. Seller shall convey title to the Property by warranty deed or equivalent. The Property may be subject to restrictions contained on the plat, deed, covenants, conditions, restrictions, or other documents noted in a Title Search Report. Upon execution of this Agreement by the Parties, Seller will, at the expense of the Purchaser, order a Title Search Report and have delivered to the Purchaser.

Upon receipt of the Title Search Report, the Purchaser shall have _____ business days to notify the Seller, in writing, of any matters disclosed in the report which are unacceptable to Purchaser. Purchaser's failure to timely object to the report shall constitute acceptance of the Title Search Report.

If any objections are made by Purchaser regarding the Title Search Report, mortgage loan inspection, or other information that discloses a material defect, the Seller shall have _____ business days from the date the objections were received to correct said matters. If Seller does not remedy any defect discovered by the Title Search Report, Purchaser shall have the option of canceling this Agreement, in which case the Earnest Money shall be returned to Purchaser.

After Closing, Purchaser shall receive an owner's standard form policy of title insurance insuring marketable title in the Property to Purchaser in the amount of the Purchase Price, free and clear of the objections and all other title exceptions agreed to be removed as part of this transaction.

XI. Property Condition. Seller is permitted to remove certain salvageable items from the structure as long as it does not compromise the structural integrity. Seller agrees to maintain the Property in its current condition, subject to ordinary wear and tear, from the time this Agreement comes into effect until the Closing. Purchaser recognizes the Seller, along with any licensed real estate agent(s) involved in this transaction, make no claims as to the validity of any property disclosure information. Purchaser is required to perform their own

Purchaser's Initial _____ Seller's Initials __

EXHIBIT A

inspections, tests, and investigations to verify any information provided by the Seller. Afterward, the Purchaser shall submit copies of all tests and reports to the Seller at no cost.

Therefore, Purchaser shall hold the right to hire licensed contractors, or other qualified professionals, to further inspect and investigate the Property until _____, 2020 at _____ : _____ a.m./p.m.

After all inspections are completed, Purchaser shall have until _____, 2020 at _____ : _____ a.m./p.m. to present any new property disclosures to the Seller in writing. The Purchaser and Seller have _____ business days to reach an agreement over any new property disclosures found by the Purchaser. If the Parties cannot come to an agreement, this Agreement shall be terminated with the Earnest Money being returned to the Purchaser.

If the Purchaser fails to have the Property inspected or does not provide the Seller with written notice of the new disclosures on the Property, in accordance with this Agreement, Purchaser hereby accepts the Property in its current condition and as described in any disclosure forms presented by the Seller.

In the event improvements on the Property are destroyed, compromised, or materially damaged prior to Closing, the Agreement may be terminated at Purchaser's option.

XII. Seller's Indemnification. Except as otherwise stated in this Agreement, after recording, the Purchaser shall accept the Property AS IS, WHERE IS, with all defects, latent or otherwise. Neither Seller nor their licensed real estate agent(s) or any other agent(s) of the Seller, shall be bound to any representation or warranty of any kind relating in any way to the Property or its condition, quality or quantity, except as specifically set forth in this Agreement or any property disclosure, which contains representations of the Seller only, and which is based upon the best of the Seller's personal knowledge.

XIII. Required Documents. Prior to the Closing, the Parties agree to authorize all necessary documents, in good faith, in order to record the transaction under the conditions required by the recorder, title company, lender, or any other public or private entity.

XIV. Sex Offenders. Section 2250 of the Title 18, United States Code, makes it a federal offense for sex offenders required to register pursuant to the Sex Offender Registration and Notification Act (SORNA), to knowingly fail to register or update a registration as required. State convicted sex offenders may also be prosecuted under this statute if the sex offender knowingly fails to register or update a registration as required, and engages in interstate travel, foreign travel, or enters, leaves, or resides on an Indian reservation.

A sex offender who fails to properly register may face fines and up to ten (10) years in prison. Furthermore, if a sex offender knowingly fails to update or register as required and commits a violent federal crime, he or she may face up to thirty (30) years in prison under this statute. The Purchaser may seek more information online by visiting <https://www.nsopw.gov/>.

Purchaser's Initial _____ Seller's Initials _____

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XV. Time. Time is of the essence. All understandings between the Parties are incorporated in this Agreement. Its terms are intended by the Parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter and they may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement.

XVI. Purchaser's Default. Seller's remedies shall be limited to liquidated damages in the amount of Earnest Money set forth in Section IV. It is agreed that such payments and things of value are liquidated damages and are Seller's sole and only remedy for Purchaser's failure to perform the obligations of this Agreement. The Parties agree the Seller's actual damages in the event of Purchaser's default would be difficult to measure, and the amount of the liquidated damages herein provided for is a reasonable estimate of such damages.

XVII. Seller's Default. Purchaser may elect to treat this Agreement as cancelled, in which case all Earnest Money paid by Purchaser hereunder shall be returned and Purchaser may recover such damages as may be proper, or Purchaser may elect to treat this Agreement as being in full force and effect and Purchaser shall have the right to specific performance or damages, or both.

XVIII. Earnest Money Dispute. Notwithstanding any termination of this Agreement, the Parties agree in the event of any controversy regarding the release of the Earnest Money the matter shall be submitted to mediation as provided in Section XXIII.

XIX. Dispute Resolution. Purchaser and Seller agree to mediate any dispute or claim arising out of this Agreement, or in any resulting transaction, before resorting to arbitration or court action.

- a.) **Mediation.** If a dispute arises, between or among the Parties, and it is not resolved prior to or after recording, the Parties shall first proceed in good faith to submit the matter to mediation. Costs related to mediation shall be mutually shared between or among the Parties. Unless otherwise agreed in mediation, the Parties retain their rights to proceed to arbitration or litigation.
- b.) **Arbitration.** The Parties agree any dispute or claim in law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration. The arbitrator is required to be a retired judge or justice, or an attorney with at least five (5) years of residential real estate law experience unless the Parties mutually agree to a different arbitrator. Under arbitration, the Parties shall have the right to discovery in accordance with State law. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction. Enforcement of this Agreement to arbitrate shall be governed by the Federal Arbitration Act.
- c.) **Exclusions.** The following matters shall be excluded from the mediation and arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed, mortgage or installment land sale contract as defined in accordance with State law; (ii) an unlawful detainer action, forcible entry detainer, eviction action, or equivalent; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter within the jurisdiction of a probate, small claims or bankruptcy court. The filing of a

Purchaser's Initial _____ Seller's Initials __

EXHIBIT A

court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver or violation of the mediation and arbitration provisions of this Section.

XX. Governing Law. This Agreement shall be interpreted in accordance with the laws in the County of Sandusky, State of Ohio.

XXI. Terms and Conditions of Offer. This is an offer to purchase the Property in accordance with the above stated terms and conditions of this Agreement. If at least one, but not all, of the Parties initial such pages, a counter offer is required until an agreement is reached.

XXII. Binding Effect. This Agreement shall be for the benefit of, and be binding upon, the Parties, their heirs, successors, legal representatives, and assigns, which therefore, constitutes the entire agreement between the Parties. No modification of this Agreement shall be binding unless by both Purchaser and Seller.

XXIII. Severability. In the event any provision or part of this Agreement is found to be invalid or unenforceable, only that particular provision or part so found, and not the entire Agreement, will be inoperative.

XXIV. Offer Expiration. This offer to purchase the Property as outlined in this Agreement shall be deemed revoked and the Earnest Money shall be returned unless this Agreement is signed by Seller and a copy of this Agreement is personally given to the Purchaser by _____, 2020 at _____ : _____ a.m./p.m.

XXV. Acceptance. Seller warrants that Seller is the owner of the Property or has the authority to execute this Agreement. Therefore, by the Seller's authorization below, he/she/they accepts the above offer and agrees to sell the Property on the above terms and conditions and agrees to the agency relationships in accordance with any agreement(s) made with licensed real estate agent(s). Seller has read and acknowledges receipt of a copy of this Agreement and authorizes any licensed real estate agent(s) to deliver a signed copy to the Purchaser.

Delivery may be in any of the following: (i) hand delivery; (ii) email under the condition the party transmitting the email receives electronic confirmation the email was received to the intended recipient; and (iii) by facsimile to the other party or the other party's licensee, but only if the transmitting fax machine prints a confirmation the transmission was successful.

XXVI. Licensed Real Estate Agent(s). If Purchaser or Seller have hired the services of licensed real estate agent(s) to perform representation on their behalf, he/she/they shall be entitled to payment for their services as outlined in separate written agreement.

XXVII. Disclosures. It is acknowledged by the Parties that:

There are no attached addendums or disclosures to this Agreement.

The following addendums or disclosures are attached to this Agreement.

Purchaser's Initial _____ Seller's Initials ____

- Lead-Based Paint Disclosure Form
- _____
- _____
- _____

XXVIII. Additional Terms and Conditions _____

XXIX. Entire Agreement. This Agreement together with any attached addendums or disclosures shall supersede any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the said Property. All prior negotiations and agreements between the parties with respect to the Property hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party which are not embodied in this Agreement and that any agreement, statement or promise that is not contained in this Agreement shall not be valid or binding of any force or effect.

XXX. Signature.

Date: _____

Seller's Signature

Print Name

Date: _____

Seller's Signature

Print Name

Date: _____

Purchaser's Signature

Print Name

Date: _____

Purchaser's Signature

Purchaser's Initial _____ **Seller's Initials** __

EXHIBIT A

Print Name

Date: _____

Agent's Signature

Print Name

Date: _____

Agent's Signature

Print Name

Purchaser's Initial _____ Seller's Initials __