



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Elizabeth H. Tyler, FAICP, Community Development Director

FROM: Kelly Mierkowski, Manager, Grants Management Division *KHM*

DATE: August 22, 2013

SUBJECT: **AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN REAL ESTATE (1205 West Beslin Street)**

AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN REAL ESTATE (1208 ½ West Dublin Street)

Description

Included on the agenda of the August 27, 2013 meeting of the Urbana Community Development Commission are two Ordinances authorizing the sale of City-owned properties, 1205 W. Beslin Street and 1208 ½ W. Dublin Street to Habitat for Humanity of Champaign County (Habitat). Habitat intends to construct two single-family residences on the lots for qualified, low-income buyers that have already been identified.

Issues

The issue is whether the Community Development Commission should forward the Ordinances to the Urbana City Council with a recommendation for approval.

Background

These properties were acquired through the Grants Management Division's Property Acquisition Program, which is supported by Community Development Block Grant (CDBG) Funds. This program allows the City to purchase, clear, improve, and maintain lots in order to promote and support the development of affordable housing opportunities. This is accomplished through the conveyance of such properties to non-profit housing developers.

The City of Urbana has supported affordable housing development by Habitat in the past by providing lots on which single-family, owner-occupied homes have been successfully completed. The proposed contracts, ordinances, and legal documents that would convey these properties are attached to this memorandum. The contract terms are similar to those previously used to convey City-owned properties to not-for-profit organizations for construction of new single-family residences for sale to low-income households.

The sales contracts call for the City to transfer the properties by recording a warranty deed in favor of Habitat with the Champaign County Recorder of Deeds. In order to ensure that the City is protected in case of default by Habitat, a Quit Claim deed, executed by Habitat in favor of the City, shall be placed in escrow with the Department of Community Development Services, which will be the Escrow Agent. The deadline for completion of construction of the homes according to the contracts is September 1, 2016.

Once construction of the homes is complete and a Certificate of Occupancy is issued, the Escrow Agent will destroy the Quit Claim Deed. In the event that Habitat has not begun construction of a single-family residence on the properties as of September 1, 2014, the City may file the Quit Claim deed and recover ownership of the property. This mechanism would be necessary to prevent repayment of funds to the Department of Housing and Urban Development in the event that Habitat failed to break ground within the required 12-month period.

Transferring the lots will achieve the goals outlined in the City of Urbana and Urbana HOME Consortium Consolidated Plan for FY 2010-2014 by increasing the supply of affordable housing available to low and moderate income households, as well as supporting new construction for homeownerships sponsored by CHDOs and other nonprofits.

Options

1. Forward the Ordinances Authorizing the Sale of Certain Real Estate to the Urbana City Council with a recommendation for approval.
2. Forward the Ordinances Authorizing the Sale of Certain Real Estate to the Urbana City Council with a recommendation for approval with suggested changes.
3. Do not recommend that City Council approve the Ordinances.

Fiscal Impacts

Providing these lots to Habitat will eliminate lot maintenance costs that are incurred by the Community Development Block Grant (CDBG) Program. The homes constructed at these sites would generate real estate taxes and will likely have a positive effect on surrounding property values. If the lots are not conveyed to Habitat, the City will continue to pay for ongoing maintenance until another viable affordable housing project is identified.

Recommendations

Staff recommends the Community Development Commission forward to the Urbana City Council a recommendation of approval of conveyance of the subject city-owned properties to Habitat for the development of affordable housing.

Memorandum Prepared By:



Jen Gonzalez
HOME Grant Coordinator
Grants Management Division

Attachments:

1. AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN REAL ESTATE
(1205 West Beslin Street)
 - a. Sales Contract
 - b. Settlement Sheet
 - c. Warranty Deed
 - d. Quit Claim Deed

 2. AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN REAL ESTATE
(1208 ½ West Dublin Street)
 - a. Sales Contract
 - b. Settlement Sheet
 - c. Warranty Deed
 - d. Quit Claim Deed

 3. Site location maps for 1205 West Beslin Street and 1208 ½ West Dublin Street
-

ORDINANCE NO. _____

**AN ORDINANCE AUTHORIZING THE
SALE OF CERTAIN REAL ESTATE**

(1205 W. Beslin Street)

WHEREAS, Subsection (a), entitled "Sale of real estate," of Section 2-118, entitled "Purchase, sale, lease, etc., of real estate," of the Code of Ordinances, City of Urbana, Illinois, provides that any real estate owned by the City of Urbana may be sold in any manner prescribed by the City Council in an ordinance authorizing such sale; and

WHEREAS, the requirements of said Subsection (a) of Section 2-118 for a public hearing and for the required notice for such public hearing do not, pursuant to the terms thereof, apply to the sale of residential property acquired under the Community Development Program; and

WHEREAS, the City Council desires to sell the real estate commonly known as 1205 W. Beslin Street, which said property has heretofore been acquired under the Community Development Program, in accordance with said Subsection (a) of Section 2-118 and the policy heretofore established with respect thereto; and

WHEREAS, the City Council expressly finds and declares that said real estate is not needed for governmental purposes or proprietary activity of the City of Urbana.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That an Ordinance approving the Contract for Sale of Real Estate by and between the City of Urbana, Illinois, and Habitat for Humanity of Champaign County, in substantially the form of the copy of said Contract

attached hereto and incorporated herein by reference, be and the same is hereby authorized and approved.

Section 2. The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute extensions of time set forth in the said Contract for and on behalf of the City of Urbana, Illinois.

Section 3. The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is hereby authorized to attest to said execution of said Contract for Sale of Real Estate as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED by the City Council this _____ day of _____,

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,

Laurel Lunt Prussing, Mayor

CONTRACT FOR SALE OF REAL ESTATE

This Contract made and entered into this _____ day of _____, 2013, by and between the City of Urbana, Illinois, a municipal corporation of the State of Illinois (hereinafter referred to as Seller), and Habitat for Humanity of Champaign, an Illinois not-for-profit corporation (hereinafter referred to as Buyer).

WITNESSETH:

IT IS MUTUALLY UNDERSTOOD AND AGREED BETWEEN THE PARTIES
HERETO as follows:

1. Sale. Seller agrees to sell and convey, and Buyer agrees to buy, the following described parcel of real estate:

DESCRIPTION OF REAL ESTATE:

The West 33 feet of Lot 2 and the East 16.5 feet of Lot 3, all in Block 25 in Seminary Addition to Urbana, as per plat recorded in Deed Record "Y" at Page 208, situated in Champaign County, Illinois.;

Part of PIN: 91-21-07-410-006;

Commonly known as 1205 West Beslin Street, Urbana, Illinois 61801
(hereinafter referred to as Subject Property).

2. Purchase Price. Seller agrees to convey title to Subject Property for One Dollar (\$1.00) and other consideration as described herein.
3. Evidence of Title. Within a reasonable time, Seller shall select and deliver one of the following to Buyer as evidence of title:
 - a. A copy of the title insurance policy issued to the City in connection with acquisition of Subject Property by the City; the City warrants that it has done nothing to encumber Subject Property since its acquisition of Subject Property; or
 - b. A commitment of title insurance issued by a title insurance company regularly doing business in Champaign County, committing the company to issue a policy in the usual form insuring title to Subject Property to Buyer for the amount of the Seller's purchase price or the minimum amount of title insurance, whichever is greater.
Permissible exceptions to title shall include only the lien of general taxes; zoning laws and building ordinances; easements, apparent or of record, which do not underlie the improvements, if any; and covenants and restrictions of record which are not violated by the existing improvements or the present use of the property and which do not restrict reasonable use of the property.

Buyer shall point out in writing to Seller within a reasonable time after receipt of the evidence of title any objections that Buyer may have thereto and unless so pointed out the evidence of title shall be conclusively presumed to be accepted by Buyer.

Seller shall have a reasonable time to cure any objections actually interfering with or impairing the merchantability of the title to Subject Property. If Seller is unable to cure such objections and is unable to procure a title policy insuring over such objections, then Buyer shall have the option to terminate the Contract.

The evidence of title and title insurance shall be at the sole expense of the Seller.

4. Conveyance.

- a. Seller agrees to convey Subject Property to Buyer by good and sufficient Warranty Deed, subject to current general taxes, covenants, conditions, restrictions, easements apparent or of record, and to all applicable zoning laws and ordinances.
- b. At the time of closing of this transaction, a Warranty Deed from Seller in favor of Buyer shall be recorded with the Champaign County Recorders' Office and delivered to Buyer. At the same time, a Quit Claim Deed from Buyer in favor of Seller shall be placed in escrow with the City of Urbana Department of Community Development Services (hereinafter referred to as "(Escrow Agent)").
- c. In the event that Buyer constructs a single-family residence on Subject Property and is issued a Certificate of Occupancy for said residence by the Urbana Building Safety Division on or before September 1, 2016, or on or before the date established in any modification to this Contract, the Escrow Agent shall destroy said Quit Claim Deed.
- d. In the event that Buyer has not started construction of a single-family residence on Subject Property as of September 1, 2014, or as of the date established in any modification to this Contract, Seller may pursue its rights under paragraph 17 (Default) and if this contract is terminated, the Escrow Agent shall release said Quit Claim Deed to Seller.

5. As an alternate to default, in the event that Buyer has begun construction of a single-family residence on Subject Property as of September 1, 2014, or as of the date established in any modification to this Contract, but has not received a Certificate of Occupancy for said residence as of that date, Seller retains the right to pay Buyer, in care of the Escrow Agent, an amount equivalent to the value of improvements in place on Subject Property as of September 1, 2016, or as of the date established in any modification to this Contract, taking credit against said amount for any outstanding liens

or encumbrances against Subject Property, said liens including real estate taxes prorated up to the date Seller assumes possession under this paragraph, and for any fees or professional expenses incurred by the Seller as a result of the assumption of the Subject Property under this paragraph. Said value shall be certified to both Buyer and Seller by an architect licensed by the State of Illinois, doing business in Champaign County, Illinois and mutually acceptable to Buyer and Seller. The Escrow Agent shall deliver said payment to Buyer, and release and record said Quit Claim Deed with the Champaign County Recorder's Office and deliver to the Seller.

Any and all escrow charges shall be paid by Buyer.

6. Taxes, Assessments and Notices. Real estate taxes apportioned through the date of possession shall be Sellers' expense. The proration thereof shall be calculated upon the basis of the most current tax information, including confirmed multipliers. Transfer tax and all special assessments and additional assessments which are a lien upon the real estate as of the date of this Contract shall be Sellers' expense. Any sanitary district, municipal sewer or recycling, regular condominium, homeowners or lake association dues or charges apportioned through the date of possession, and any special or additional assessments which have received final approval by said government entity or association, even if not yet billed or due, shall be Sellers' expense. All such taxes and special assessments shall constitute a credit to Buyers against the purchase price, and shall release Sellers from any further liability to Buyers in connection therewith. Only if the most current tax information is the most recent tax bill, will the proration of current taxes include any regular annual drainage assessment.
7. Condition of Subject Property. Buyer agrees to accept Subject Property in its "as-is" condition, and Seller disclaims all warranties express or implied as to the condition of Subject Property. It is understood and agreed that because the subject parcel is vacant land, the Buyer waives receipt of any lead paint disclosure statements, or other statements regarding the condition of the premises as otherwise required by law.
8. Compliance with Development Codes. Any residence constructed pursuant to this Contract shall be constructed in accordance with all applicable land development, zoning, and building codes, and the visitability standards of the City of Urbana, Illinois, and with any and all covenants recorded for the subdivision in which Subject Property is located. Buyer shall be responsible for obtaining and paying for all permits required under said codes.
9. House Design. Any residence constructed pursuant to this Contract shall be substantially compatible in design and quality of construction with drawings previously submitted by Buyer to the City of Urbana. Prior to issuance of any building permit by the Building Safety Division of the City of Urbana, Illinois, the Grants Management Division Manager of the Department of Community Development Services of the City of Urbana, Illinois,

acting on behalf of the City, may request alterations to the proposed house design so as to comply with this Section.

10. Use of Subject Property. The primary purpose of Buyer activities undertaken pursuant to this Contract shall be construction of a single-family residence for sale to a low-income household through the Buyer's Homeownership Program.
11. Limitation on Subsequent Sale of Subject Property. Any residence constructed by Buyer on Subject Property pursuant to this Contract may subsequently be sold by Buyer only to a family having income at or below 80 percent of median family income for Champaign County based on household size. Applicable income limits are those certified by the Grants Management Division Manager of the Department of Community Development Services of the City of Urbana, Illinois, acting on behalf of the City, to be in effect at the time Buyer accepts a household into its Homeownership Program. Buyer shall keep record of compliance with this Section on file for inspection by representatives of the City and the U.S. Department of Housing and Urban Development.
12. Property Maintenance. Buyer agrees to keep Subject Property properly mowed and free of excess vegetation and debris at all times from the date of this contract. Buyer shall neither suffer nor commit any waste on or to Subject Property. Buyer agrees to promptly respond to any notices received from the City of Urbana, Illinois, with regard to violation of the City's nuisance codes and to promptly correct any violation cited by said City. Buyer shall promptly pay all bills or charges incurred for materials, services, labor, or other like items that may create encumbrances against Subject Property. Buyer will become responsible for all property maintenance as of the date of this Contract.
13. Construction Schedule. Buyer agrees to construct a single-family residence on Subject Property such that a Certificate of Occupancy is issued for the newly constructed residence by the Urbana Building Safety Division on or before September 1, 2016, or, on or before a date established in any modification to this Contract.
14. Storage of Building Materials. Building materials needed to construct any residence pursuant to this Contract shall be stored within property lines and shall not be placed in the public right-of-way.
15. Seller Held Harmless. Buyer agrees to indemnify and hold Seller, its officers, agents, and employees, harmless for any liability or damages of any nature or kind concerning undertaking of any activity pursuant to this Contract, including reasonable attorneys' fees incurred in defending against any such claim.
16. Assignment. Buyer shall not assign this Contract without prior written consent of Seller to such assignment; provided, however, that Seller shall not unreasonably withhold such consent and further provided that no such assignment shall act as a discharge or release of Buyer's liability under this Contract.

17. Possession. City shall deliver possession of Subject Property to Buyer concurrently with closing of this transaction.
18. Default. If Buyer fails to perform any obligation imposed upon it by this Contract, Seller may serve written notice of default upon Buyer and if such default is not corrected within ten (10) days thereafter, this Contract shall terminate. In the event of failure of Seller to perform obligations imposed upon it by this Contract, Buyer may terminate this Contract upon similar notice served upon Seller and similar expiration of time period. The foregoing remedies in the event of default are not intended to be exclusive, and the parties shall have the right to all other lawful remedies, including specific performance. Default by Seller or Buyer shall entitle the non-defaulting party to claim as damages all reasonable costs, attorneys' fees, and expenses in connection with enforcement of this Contract.
19. Notices. Any notice required under this Contract to be served upon Seller or Buyer shall be mailed by certified mail to such parties at the address shown herein following their signatures, or at such other place as the parties may from time to time designate in writing.
20. Modification. No modification or extension of this Contract shall be effective unless in writing and executed by the parties hereto.
21. Terms Binding. All terms of this Contract shall be binding upon the heirs, legatees, devisees, representatives, and assignees of the parties.

IN WITNESS WHEREOF, the parties have executed this Contract as of the day and year first above written.

SELLER:

City of Urbana, Illinois
400 South Vine Street
Urbana, Illinois 61801

BY:

Laurel Lunt Prussing, Mayor

ATTEST:

Phyllis D. Clark, City Clerk

BUYER:

Habitat for Humanity
119 East University Avenue
Champaign, Illinois 61820

BY:

Executive Director

SETTLEMENT SHEET

BUYER: Habitat for Humanity of Champaign County
SELLER: City of Urbana, Illinois
ADDRESS: 1205 W. Beslin Street, Urbana, Illinois
PTN: 91-21-07-410-006
DATE: July 16, 2013 (197 day of 365)

GROSS PURCHASE PRICE: \$1.00

ADDITIONS TO PURCHASE PRICE: \$0.00

ADJUSTED PURCHASE PRICE: \$1.00

CREDITS TO BUYER: \$0.00

Down payment: 0.00

Real estate taxes:

2013 P 2014 0.00 (Seller's Responsibility)

Title services: 0.00 (POC by Seller)

Transfer tax: 0.00 (exempt)

Real estate commission: 0.00

Junk/debris liens: 0.00

UCSD: 0.00 (no service)

Sewer benefit tax: 0.00 (no service)

Recording fees: 0.00 (no encumbrances)

Stormwater Utility Fee: 0.00

BALANCE DUE SELLER LESS CREDITS: \$1.00

SETTLEMENT SHEET ACCEPTED BY:

Executive Director
Habitat for Humanity of Champaign County

Date

Manager, Grants Management Division
City of Urbana, Illinois

Date

WARRANTY DEED

THIS INDENTURE WITNESSETH, that the Grantor, THE CITY OF URBANA, ILLINOIS, a municipal corporation duly organized and existing under and by virtue of the laws of the State of Illinois, for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, and pursuant to authority given by the City Council of the City of Urbana, Illinois, by virtue of Ordinance No. _____, CONVEYS AND WARRANTS to Habitat for Humanity of Champaign County, an Illinois not-for-profit corporation, the following described real estate, to-wit:

DESCRIPTION OF REAL ESTATE

The West 33 feet of Lot 2 and the East 16.5 feet of Lot 3, all in Block 25 in Seminary Addition to Urbana, as per plat recorded in Deed Record "Y" at Page 208, situated in Champaign County, Illinois.;

Part of PIN: 91-21-07-410-006;

Commonly known as 1205 West Beslin Street, Urbana, Illinois 61801

Subject to:

- (1) Real estate taxes for the year 2013 and subsequent years;
- (2) Covenants, conditions, restrictions, and easements apparent or of record;
- (3) All applicable zoning laws and ordinances.

IN WITNESSETH, said Grantor has caused its corporate seal to be affixed, and has caused its name to be signed to these presents by LAUREL LUNT PRUSSING, its Mayor, and attested by Phyllis D. Clark, its City Clerk, this ____ day of _____, 2013.

CITY OF URBANA, ILLINOIS

By: _____
Laurel Lunt Prussing, Mayor

ATTEST:

By: _____
Phyllis D. Clark, City Clerk

STATE OF ILLINOIS)
) SS.
COUNTY OF CHAMPAIGN)

On _____, 2013, before me, the undersigned, a Notary Public for said County and State, personally appeared LAUREL LUNT PRUSSING, known to me to be the Mayor of the City of Urbana, Illinois, and PHYLLIS D. CLARK, known to me to be the City Clerk of the City of Urbana, Illinois, both officers of the City of Urbana, a municipal corporation, who severally acknowledge that as such Mayor and as such Clerk, and on behalf of the City of Urbana, they signed and delivered the foregoing quitclaim deed on the day and year therein written, pursuant to authority of an order duly adopted by the City Council of said City of Urbana, a municipal corporation.

Witness my hand and official Notarial Seal of office, this _____ day of _____, 2013.

Notary Public in and for the County
Of Champaign, State of Illinois.

Exempt under provisions of Paragraph 4, Section (b), Transfer Tax (35 ILCS 200/31-45).

Approved as to form

Date

Deed Prepared By:

City Attorney's Office
City of Urbana
400 South Fine Street
Urbana, Illinois 61801

Return Deed, Send Tax Bill To:
Habitat for Humanity of
Champaign County
119 E. University Ave.
Champaign, Illinois 61820

QUIT CLAIM DEED

THIS INDENTURE WITNESSETH, that the Grantor, Habitat for Humanity of Champaign County, an Illinois not-for-profit, for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, CONVEYS AND QUIT CLAIMS to THE CITY OF URBANA, ILLINOIS, a municipal corporation, of 400 South Vine Street, in the City of Urbana, County of Champaign, and the State of Illinois, all interest in the following described real estate, to wit:

DESCRIPTION OF REAL ESTATE

The West 33 feet of Lot 2 and the East 16.5 feet of Lot 3, all in Block 25 in Seminary Addition to Urbana, as per plat recorded in Deed Record "Y" at Page 208, situated in Champaign County, Illinois.;

PIN: 91-21-007-410-006;

Commonly known as 1205 West Beslin Street, Urbana, Illinois 61801

Subject to:

- (1) Real estate taxes for the year 2013 and subsequent years;
- (2) Covenants, conditions, restrictions, and easements apparent or of record;
- (3) All applicable zoning laws and ordinances.

Situated in the County of Champaign and State of Illinois hereby releasing and waiving all rights under and by virtue of the Homestead Exemption Laws of the State of Illinois.

Dated this _____ day of _____, 2013.

By:

Executive Director

STATE OF ILLINOIS)
) ss.
COUNTY OF CHAMPAIGN)

I, _____, a Notary Public in and for said county and state, do hereby certify that _____, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that she is the Executive Director of Habitat for Humanity of Champaign County, an Illinois Not-for-Profit Corporation, that as said Executive Director, she is authorized **(by the bylaws of said corporation / by a resolution duly adopted by the Board of Directors of said corporation)** to sign said instrument, and that she signed and delivered the said instrument for the uses and purposes therein set forth.

Given under my hand and official seal, this ____ day of _____, 2013.

Notary Public

Exempt under provisions of Paragraph 4, Section (e), Transfer Tax (35 ILCS 200/31-45).

Approved as to form

Date

Deed Prepared By:

City Attorney's Office
City of Urbana
400 South Fine Street
Urbana, Illinois 61801

Return Deed, Send Tax Bill To:

Habitat for Humanity of
Champaign County
119 E. University Ave.
Champaign, Illinois 61820

ORDINANCE NO. _____

**AN ORDINANCE AUTHORIZING THE
SALE OF CERTAIN REAL ESTATE**

(1208 1/2 W. Dublin Street)

WHEREAS, Subsection (a), entitled "Sale of real estate," of Section 2-118, entitled "Purchase, sale, lease, etc., of real estate," of the Code of Ordinances, City of Urbana, Illinois, provides that any real estate owned by the City of Urbana may be sold in any manner prescribed by the City Council in an ordinance authorizing such sale; and

WHEREAS, the requirements of said Subsection (a) of Section 2-118 for a public hearing and for the required notice for such public hearing do not, pursuant to the terms thereof, apply to the sale of residential property acquired under the Community Development Program; and

WHEREAS, the City Council desires to sell the real estate commonly known as 1208 ½ W. Dublin Street, which said property has heretofore been acquired under the Community Development Program, in accordance with said Subsection (a) of Section 2-118 and the policy heretofore established with respect thereto; and

WHEREAS, the City Council expressly finds and declares that said real estate is not needed for governmental purposes or proprietary activity of the City of Urbana.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That an Ordinance approving the Contract for Sale of Real Estate by and between the City of Urbana, Illinois, and Habitat for Humanity of Champaign County, in substantially the form of the copy of said Contract

attached hereto and incorporated herein by reference, be and the same is hereby authorized and approved.

Section 2. The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute extensions of time set forth in the said Contract for and on behalf of the City of Urbana, Illinois.

Section 3. The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is hereby authorized to attest to said execution of said Contract for Sale of Real Estate as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED by the City Council this _____ day of _____,
_____.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
_____.

Laurel Lunt Prussing, Mayor

CONTRACT FOR SALE OF REAL ESTATE

This Contract made and entered into this ____ day of _____, 2013, by and between the City of Urbana, Illinois, a municipal corporation of the State of Illinois (hereinafter referred to as Seller), and Habitat for Humanity of Champaign County, an Illinois not-for-profit corporation (hereinafter referred to as Buyer).

WITNESSETH:

IT IS MUTUALLY UNDERSTOOD AND AGREED BETWEEN THE PARTIES HERETO as follows:

1. Sale. Seller agrees to sell and convey, and Buyer agrees to buy, the following described parcel of real estate:

DESCRIPTION OF REAL ESTATE:

The West 33 feet of Lot 9 in Block 13 of the Seminary Addition to Urbana, located in Champaign County, Illinois.;

Part of PIN: 91-21-07-260-010;

Commonly known as 1208 ½ West Dublin Street, Urbana, Illinois 61801 (hereinafter referred to as Subject Property).

2. Purchase Price. Seller agrees to convey title to Subject Property for One Dollar (\$1.00) and other consideration as described herein.
3. Evidence of Title. Within a reasonable time, Seller shall select and deliver one of the following to Buyer as evidence of title:
- a. A copy of the title insurance policy issued to the City in connection with acquisition of Subject Property by the City; the City warrants that it has done nothing to encumber Subject Property since its acquisition of Subject Property; or
 - b. A commitment of title insurance issued by a title insurance company regularly doing business in Champaign County, committing the company to issue a policy in the usual form insuring title to Subject Property to Buyer for the amount of the Seller's purchase price or the minimum amount of title insurance, whichever is greater.

Permissible exceptions to title shall include only the lien of general taxes; zoning laws and building ordinances; easements, apparent or of record, which do not underlie the improvements, if any; and covenants and restrictions of record which are not violated by the existing improvements or the present use of the property and which do not restrict reasonable use of the property.

Buyer shall point out in writing to Seller within a reasonable time after receipt of the evidence of title any objections that Buyer may have thereto and unless so pointed out the evidence of title shall be conclusively presumed to be accepted by Buyer.

Seller shall have a reasonable time to cure any objections actually interfering with or impairing the merchantability of the title to Subject Property. If Seller is unable to cure such objections and is unable to procure a title policy insuring over such objections, then Buyer shall have the option to terminate the Contract.

The evidence of title and title insurance shall be at the sole expense of the Seller.

4. Conveyance.

- a. Seller agrees to convey Subject Property to Buyer by good and sufficient Warranty Deed, subject to current general taxes, covenants, conditions, restrictions, easements apparent or of record, and to all applicable zoning laws and ordinances.
- b. At the time of closing of this transaction, a Warranty Deed from Seller in favor of Buyer shall be recorded with the Champaign County Recorders' Office and delivered to Buyer. At the same time, a Quit Claim Deed from Buyer in favor of Seller shall be placed in escrow with the City of Urbana Department of Community Development Services (hereinafter referred to as "(Escrow Agent)").
- c. In the event that Buyer constructs a single-family residence on Subject Property and is issued a Certificate of Occupancy for said residence by the Urbana Building Safety Division on or before September 1, 2016, or on or before the date established in any modification to this Contract, the Escrow Agent shall destroy said Quit Claim Deed.
- d. In the event that Buyer has not started construction of a single-family residence on Subject Property as of September 1, 2014, or as of the date established in any modification to this Contract, Seller may pursue its rights under paragraph 17 (Default) and if this contract is terminated, the Escrow Agent shall release said Quit Claim Deed to Seller.

5. As an alternate to default, in the event that Buyer has begun construction of a single-family residence on Subject Property as of September 1, 2014, or as of the date established in any modification to this Contract, but has not received a Certificate of Occupancy for said residence as of that date, Seller retains the right to pay Buyer, in care of the Escrow Agent, an amount equivalent to the value of improvements in place on Subject Property as of September 1, 2016, or as of the date established in any modification to this Contract, taking credit against said amount for any outstanding liens

or encumbrances against Subject Property, said liens including real estate taxes prorated up to the date Seller assumes possession under this paragraph, and for any fees or professional expenses incurred by the Seller as a result of the assumption of the Subject Property under this paragraph. Said value shall be certified to both Buyer and Seller by an architect licensed by the State of Illinois, doing business in Champaign County, Illinois and mutually acceptable to Buyer and Seller. The Escrow Agent shall deliver said payment to Buyer, and release and record said Quit Claim Deed with the Champaign County Recorder's Office and deliver to the Seller.

Any and all escrow charges shall be paid by Buyer.

6. Taxes, Assessments and Notices. Real estate taxes apportioned through the date of possession shall be Sellers' expense. The proration thereof shall be calculated upon the basis of the most current tax information, including confirmed multipliers. Transfer tax and all special assessments and additional assessments which are a lien upon the real estate as of the date of this Contract shall be Sellers' expense. Any sanitary district, municipal sewer or recycling, regular condominium, homeowners or lake association dues or charges apportioned through the date of possession, and any special or additional assessments which have received final approval by said government entity or association, even if not yet billed or due, shall be Sellers' expense. All such taxes and special assessments shall constitute a credit to Buyers against the purchase price, and shall release Sellers from any further liability to Buyers in connection therewith. Only if the most current tax information is the most recent tax bill, will the proration of current taxes include any regular annual drainage assessment.
7. Condition of Subject Property. Buyer agrees to accept Subject Property in its "as-is" condition, and Seller disclaims all warranties express or implied as to the condition of Subject Property. It is understood and agreed that because the subject parcel is vacant land, the Buyer waives receipt of any lead paint disclosure statements, or other statements regarding the condition of the premises as otherwise required by law.
8. Compliance with Development Codes. Any residence constructed pursuant to this Contract shall be constructed in accordance with all applicable land development, zoning, and building codes, and the visitability standards of the City of Urbana, Illinois, and with any and all covenants recorded for the subdivision in which Subject Property is located. Buyer shall be responsible for obtaining and paying for all permits required under said codes.
9. House Design. Any residence constructed pursuant to this Contract shall be substantially compatible in design and quality of construction with drawings previously submitted by Buyer to the City of Urbana. Prior to issuance of any building permit by the Building Safety Division of the City of Urbana, Illinois, the Grants Management Division Manager of the Department of Community Development Services of the City of Urbana, Illinois,

acting on behalf of the City, may request alterations to the proposed house design so as to comply with this Section.

10. Use of Subject Property. The primary purpose of Buyer activities undertaken pursuant to this Contract shall be construction of a single-family residence for sale to a low-income household through the Buyer's Homeownership Program.
11. Limitation on Subsequent Sale of Subject Property. Any residence constructed by Buyer on Subject Property pursuant to this Contract may subsequently be sold by Buyer only to a family having income at or below 80 percent of median family income for Champaign County based on household size. Applicable income limits are those certified by the Grants Management Division Manager of the Department of Community Development Services of the City of Urbana, Illinois, acting on behalf of the City, to be in effect at the time Buyer accepts a household into its Homeownership Program. Buyer shall keep record of compliance with this Section on file for inspection by representatives of the City and the U.S. Department of Housing and Urban Development.
12. Property Maintenance. Buyer agrees to keep Subject Property properly mowed and free of excess vegetation and debris at all times from the date of this contract. Buyer shall neither suffer nor commit any waste on or to Subject Property. Buyer agrees to promptly respond to any notices received from the City of Urbana, Illinois, with regard to violation of the City's nuisance codes and to promptly correct any violation cited by said City. Buyer shall promptly pay all bills or charges incurred for materials, services, labor, or other like items that may create encumbrances against Subject Property. Buyer will become responsible for all property maintenance as of the date of this Contract.
13. Construction Schedule. Buyer agrees to construct a single-family residence on Subject Property such that a Certificate of Occupancy is issued for the newly constructed residence by the Urbana Building Safety Division on or before September 1, 2016, or, on or before a date established in any modification to this Contract.
14. Storage of Building Materials. Building materials needed to construct any residence pursuant to this Contract shall be stored within property lines and shall not be placed in the public right-of-way.
15. Seller Held Harmless. Buyer agrees to indemnify and hold Seller, its officers, agents, and employees, harmless for any liability or damages of any nature or kind concerning undertaking of any activity pursuant to this Contract, including reasonable attorneys' fees incurred in defending against any such claim.
16. Assignment. Buyer shall not assign this Contract without prior written consent of Seller to such assignment; provided, however, that Seller shall not unreasonably withhold such consent and further provided that no such assignment shall act as a discharge or release of Buyer's liability under this Contract.

17. Possession. City shall deliver possession of Subject Property to Buyer concurrently with closing of this transaction.
18. Default. If Buyer fails to perform any obligation imposed upon it by this Contract, Seller may serve written notice of default upon Buyer and if such default is not corrected within ten (10) days thereafter, this Contract shall terminate. In the event of failure of Seller to perform obligations imposed upon it by this Contract, Buyer may terminate this Contract upon similar notice served upon Seller and similar expiration of time period. The foregoing remedies in the event of default are not intended to be exclusive, and the parties shall have the right to all other lawful remedies, including specific performance. Default by Seller or Buyer shall entitle the non-defaulting party to claim as damages all reasonable costs, attorneys' fees, and expenses in connection with enforcement of this Contract.
19. Notices. Any notice required under this Contract to be served upon Seller or Buyer shall be mailed by certified mail to such parties at the address shown herein following their signatures, or at such other place as the parties may from time to time designate in writing.
20. Modification. No modification or extension of this Contract shall be effective unless in writing and executed by the parties hereto.
21. Terms Binding. All terms of this Contract shall be binding upon the heirs, legatees, devisees, representatives, and assignees of the parties.

IN WITNESS WHEREOF, the parties have executed this Contract as of the day and year first above written.

SELLER:

City of Urbana, Illinois
400 South Vine Street
Urbana, Illinois 61801

BUYER:

Habitat for Humanity
119 East University Avenue
Champaign, Illinois 61820

BY:

BY:

Laurel Lunt Prussing, Mayor

Executive Director

ATTEST:

Phyllis D. Clark, City Clerk

SETTLEMENT SHEET

BUYER: Habitat for Humanity of Champaign County
SELLER: City of Urbana, Illinois
ADDRESS: 1208 ½ West Dublin Street, Urbana, Illinois
PTN: 91-21-07-260-010
DATE: July 16, 2013 (197 day of 365)

GROSS PURCHASE PRICE:		\$1.00
ADDITIONS TO PURCHASE PRICE:		\$0.00
ADJUSTED PURCHASE PRICE:		\$1.00
CREDITS TO BUYER:		\$0.00
Down payment:	0.00	
Real estate taxes:		
2013 P 2014	0.00 (Seller's Responsibility)	
Title services:	0.00 (POC by Seller)	
Transfer tax:	0.00 (exempt)	
Real estate commission:	0.00	
Junk/debris liens:	0.00	
UCSD:	0.00 (no service)	
Sewer benefit tax:	0.00 (no service)	
Recording fees:	0.00 (no encumbrances)	
Stormwater Utility Fee:	0.00	
BALANCE DUE SELLER LESS CREDITS:		\$1.00

SETTLEMENT SHEET ACCEPTED BY:

Executive Director
Habitat for Humanity of Champaign County

Date

Manager, Grants Management Division
City of Urbana, Illinois

Date

WARRANTY DEED

THIS INDENTURE WITNESSETH, that the Grantor, THE CITY OF URBANA, ILLINOIS, a municipal corporation duly organized and existing under and by virtue of the laws of the State of Illinois, for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, and pursuant to authority given by the City Council of the City of Urbana, Illinois, by virtue of Ordinance No. _____, CONVEYS AND WARRANTS to Habitat for Humanity of Champaign County, an Illinois not-for-profit corporation, the following described real estate, to-wit:

DESCRIPTION OF REAL ESTATE

The West 33 feet of Lot 9 in Block 13 of the Seminary Addition to Urbana, located in Champaign County, Illinois.

Part of PIN: 91-21-07-260-010;

Commonly known as 1208 ½ West Dublin Street, Urbana, Illinois 61801

Subject to:

- (1) Real estate taxes for the year 2013 and subsequent years;
- (2) Covenants, conditions, restrictions, and easements apparent or of record;
- (3) All applicable zoning laws and ordinances.

IN WITNESSETH, said Grantor has caused its corporate seal to be affixed, and has caused its name to be signed to these presents by LAUREL LUNT PRUSSING, its Mayor, and attested by Phyllis D. Clark, its City Clerk, this ____ day of _____, 2013.

CITY OF URBANA, ILLINOIS

By: _____
Laurel Lunt Prussing, Mayor

ATTEST:

By: _____
Phyllis D. Clark, City Clerk

STATE OF ILLINOIS)
) SS.
COUNTY OF CHAMPAIGN)

On _____, 2013, before me, the undersigned, a Notary Public for said County and State, personally appeared LAUREL LUNT PRUSSING, known to me to be the Mayor of the City of Urbana, Illinois, and PHYLLIS D. CLARK, known to me to be the City Clerk of the City of Urbana, Illinois, both officers of the City of Urbana, a municipal corporation, who severally acknowledge that as such Mayor and as such Clerk, and on behalf of the City of Urbana, they signed and delivered the foregoing quitclaim deed on the day and year therein written, pursuant to authority of an order duly adopted by the City Council of said City of Urbana, a municipal corporation.

Witness my hand and official Notarial Seal of office, this ____ day of _____, 2013.

Notary Public in and for the County
Of Champaign, State of Illinois.

Exempt under provisions of Paragraph 4, Section (b), Transfer Tax (35 ILCS 200/31-45).

Approved as to form

Date

Deed Prepared By:

City Attorney's Office
City of Urbana
400 South Fine Street
Urbana, Illinois 61801

Return Deed, Send Tax Bill To:
Habitat for Humanity of
Champaign County
119 E. University Ave.
Champaign, Illinois 61820

QUIT CLAIM DEED

THIS INDENTURE WITNESSETH, that the Grantor, Habitat for Humanity of Champaign County, an Illinois not-for-profit, for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, CONVEYS AND QUIT CLAIMS to THE CITY OF URBANA, ILLINOIS, a municipal corporation, of 400 South Vine Street, in the City of Urbana, County of Champaign, and the State of Illinois, all interest in the following described real estate, to wit:

DESCRIPTION OF REAL ESTATE

The West 33 feet of Lot 9 in Block 13 of the Seminary Addition to Urbana, located in Champaign County, Illinois.

PIN: 91-21-07-260-010;

Commonly known as 1208 ½ West Dublin Street, Urbana, Illinois 61801

Subject to:

- (1) Real estate taxes for the year 2013 and subsequent years;
- (2) Covenants, conditions, restrictions, and easements apparent or of record;
- (3) All applicable zoning laws and ordinances.

Situated in the County of Champaign and State of Illinois hereby releasing and waiving all rights under and by virtue of the Homestead Exemption Laws of the State of Illinois.

Dated this _____ day of _____, 2013.

By:

Executive Director

