Land Bank

November 06, 2018
City Commission Room, 701 N. Jefferson, Junction City KS 66441

Pat Landes
Phyllis Fitzgerald
Tim Brown
Jeff Underhill
Nicholas Allbritton

1. 6:00 P.M. - CALL TO ORDER:

2. NEW BUSINESS:

a. Consideration for Land Bank Minutes for September 18, 2018 Meeting. (p.2)

b. Discuss electric and natural gas issues in certain Land Bank lots. (p.5)

c. Consider the offer from Roy Fausnett & Christopher Richie to purchase Lot 1, Block 11 of Olivia Farms Subdivision and Lots 31 & 2, Block 12, Olivia Farms Subdivision in the amount of $15,000.00. (p.15)

d. Consider the offer from Roy Fausnett & Tony Fausnett to purchase Lot 1, Block 13 and Lot 1, Block 14 of the Olivia Farms Subdivision in the amount of $10,000.00. (p.31)

e. Consider the offer from Roy Fausnett to purchase Lot 1, Block 9; Lot 1, Block 8; Lot 1, Block 15; and Lot 1, Block 16 of the Olivia Farms Subdivision in the amount of $20,000.00. (p.48)

f. Consider the offer from Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust to purchase Lot 1, Block 4 of Sutter Woods Subdivision in the amount of $2,500.00. (p.65)

g. Consider the offer from Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust to purchase Lot 2, 3 & 4, Block 4 of Sutter Woods Subdivision in the amount of $15,000.00. (p.83)

h. Consider the offer from Mary Beth Mathis Trust to purchase Lot 6 & 7, Block 1 of Deer Creek Addition Unit No. 3 in the amount of $5,000.00. (p.102)

3. ADJOURNMENT:

Backup material for agenda item:

a. Consideration for Land Bank Minutes for September 18, 2018 Meeting.

JUNCTION CITY LAND BANK BOARD OF TRUSTEES MINUTES

September 18, 2018 6:30 p.m.

CALL TO ORDER

A meeting of the Junction City Land Bank Board of Trustees was held on Tuesday, September 18, 2018 with Chairman Pat Landes presiding.

The following members of the Land Bank were present: Pat Landes, Phyllis Fitzgerald, Tim Brown, Jeff Underhill and Nick Allbritton. Staff present was: Allen Dinkel, Tammy Melton, Britain Stites and Lindsay Miller.

NEW BUSINESS

Land Bank Minutes for September 4, 2018 Meeting was presented for consideration. Trustee Fitzgerald moved to approve Land Bank Minutes for September 4, 2018 Meeting, seconded by Trustee Underhill. Ayes: Landes, Fitzgerald, Brown, Underhill and Allbritton. Nays: None. Motion Carried.

The offer from Hector A. Figueroa to purchase Lot 26 & 27, Block 1, of Deer Creek Addition #2 in the amount of $10,000 was presented. City Manager Dinkel gave details and answered questions. Trustee Underhill moved to approve the offer from Hector A. Figueroa to purchase Lot 26 & 27, Block 1, of Deer Creek Addition #2 in the amount of $10,000, seconded by Trustee Allbritton. Ayes: Landes, Fitzgerald, Brown, Underhill and Allbritton. Nays: None. Motion Carried.

The offer from Teran Naccarato & Tiffany Naccarato to purchase Lot 26 & 27, Block 1, of Olivia Farms 2nd Plat, a replat of a portion of Olivia Farms in the amount of $10,000 was presented. City Manager Dinkel gave details and answered questions. Trustee Underhill moved to approve the offer from Teran Naccarato & Tiffany Naccarato to purchase Lot 26 & 27, Block 1, of Olivia Farms 2nd Plat, a replat of a portion of Olivia Farms in the amount of $10,000, seconded by Trustee Allbritton. Ayes: Landes, Fitzgerald, Brown, Underhill and Allbritton. Nays: None. Motion Carried.

The offer from Michael M. Hughes & Shannon M. Hughes to purchase Lot 13, Block 5, of Sutter Woods Subdivision in the amount of $5,000 was presented. City Manager Dinkel gave details and answered questions. Trustee Underhill moved to approve the offer from Michael M. Hughes & Shannon M. Hughes to purchase Lot 13, Block 5, of Sutter Woods Subdivision in the amount of $5,000, seconded by Trustee Allbritton. Ayes: Landes, Fitzgerald, Brown, Underhill and Allbritton. Nays: None. Motion Carried.

The request to add Land Bank Lots in the Mann's Ranch Addition #1 and Mann's Ranch Addition #2 Subdivision was presented. City Manager Dinkel gave details

and answered questions. Trustee Allbritton moved to approve the request to add Land Bank Lots in the Mann's Ranch Addition #1 and Mann's Ranch Addition #2 Subdivision, seconded by Trustee Underhill. Ayes: Landes, Fitzgerald, Brown, Underhill and Allbritton. Nays: None. Motion Carried.

ADJOURNMENT

Trustee Fitzgerald moved, seconded by Trustee Underhill to adjourn at 6:34 p.m. Ayes: Landes, Fitzgerald, Brown, Underhill and Allbritton. Nays: None. Motion Carried.

APPROVED AND ACCEPTED THIS 6TH DAY OF NOVEMBER AS THE OFFICIAL COPY OF THE JUNCTION CITY LAND BANK BOARD OF TRUSTEES MINUTES FOR SEPTEMBER 18, 2018.

Tammy Melton, Secretary Pat Landes, Chairman

Backup material for agenda item:

b. Discuss electric and natural gas issues in certain Land Bank lots.

City of Junction City

Land Bank

Agenda Memo

11/01/2018

From: Allen J. Dinkel, City Manager

To: Land Bank Trustees

Subject: Electric and Natural Gas Service Issues in Certain Land Bank Lots

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Objective: Discuss electric and natural gas issues marketing of in some of the Land Bank Lots.

As the sale of two Land Bank lots in Olivia Farms was moving forward, it was discovered that not all of the lots in that subdivision are served by electricity even though there are containers for transformers for electric service throughout the entire subdivision and it was always told that there was service.

After visiting with DS&O Rural Electric Cooperative they put conduit in the ground, but did not "pull wire" to each location. They also removed some items such as transformers as well. When the subdivision was being built they pushed to complete the electric service, but when everything slowed down they literally just stopped. I understand DS&O took a large financial "hit" as they spent substantial amount of money in providing electrical infrastructure and when the building of homes quit they lost their planned revenue stream. What occurred to the City financially also hit them as well.

Since some of the infrastructure is in place there is still going to be a cost to bring service to these lots. The cost to bring electric to the two lots that were in the process of being sold is $23,054. Of course this cost could be borne by the persons planning to construct a home. However this extension would serve the entire block. The first attachment shows the north portion of Olivia Farms. I have circled the two lots being sold. The electric work would cover all of the lots in

Block 1, so in essence this owner would pay for electric service for all 43 lots up to Hurricane Lane and lots 10-18 in Block 10.

One option would be for the Land Bank to extend this service and in this area and then increase the cost of each lot slightly as it will benefit all of those lots in that Block.

I have also enclosed a diagram of the South portion of Olivia Farms.

Ray Ibarra and I will meet with DS&O on Monday.

We did find Resolution R-2337 that provided for DS&) to install 29 lamps. This was approved ion May 1, 2007. Ray showed me Resolution R-2556 that was dated in 2009 that would have increased the number of lamps to 41, but after checking this resolution was pulled from the agenda.

I am still waiting to hear more from Kansas Gas on the natural gas pipe that was installed. However it does appear there is gas line as there are areas as there are testing valves. We will however confirm.

I did contact Mike Solida of Westar in regards to Prairie Ridge and Deer Creek divisions. These diagrams are attached. On the Prairie Ridge diagram, the Blue portion is the area served by Westar. North of that line is served by DS&O.

The other Westar territory area is in Deer Creek. As we always knew there is no electric service on the 3rd addition or the west portion.

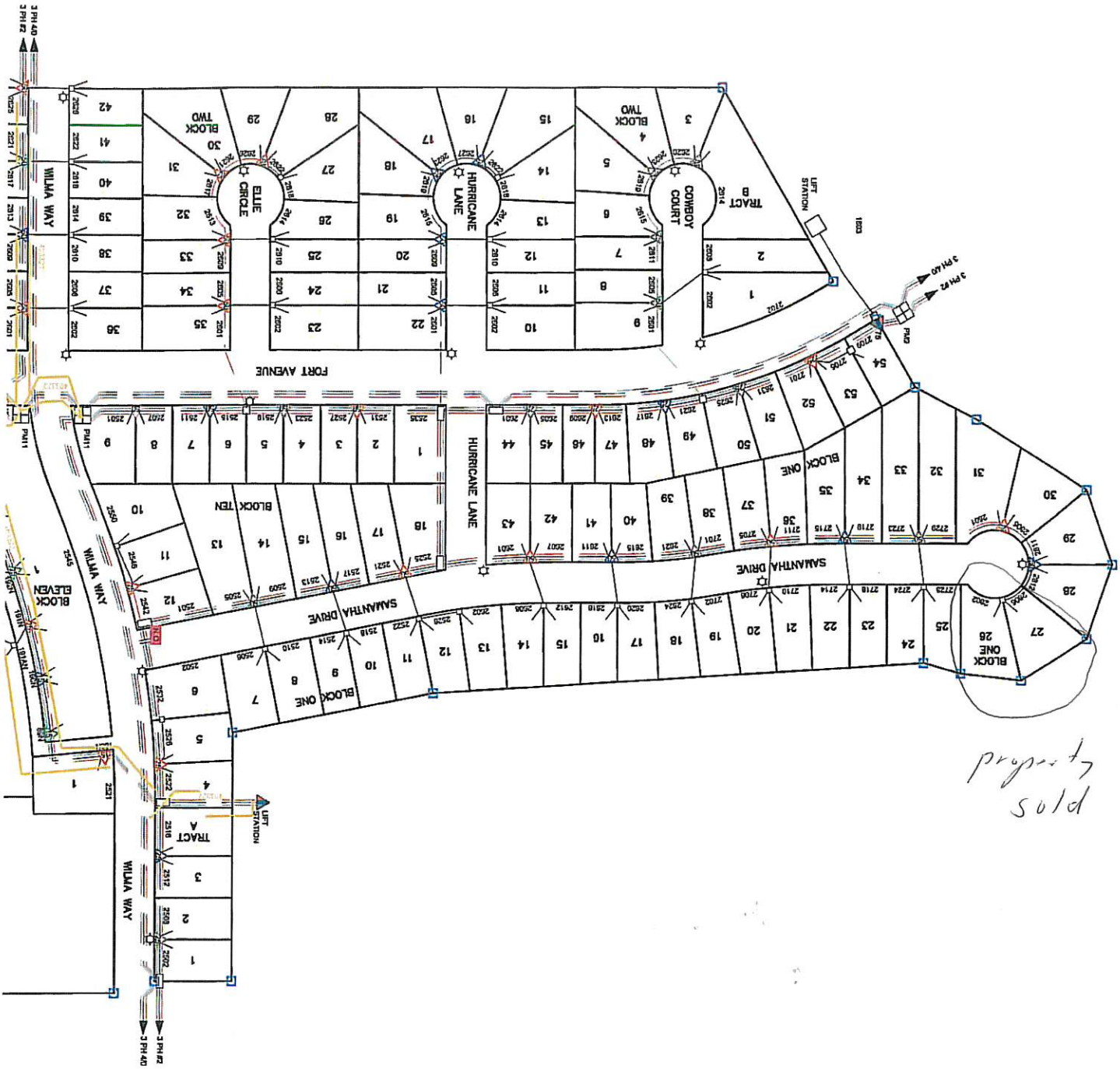
We will have more to report by Tuesday as we find out more information.

Only the water, waste water, streets, and curb and gutter were included in the Special Benefit District and are part of the Special Assessments. We are also trying to figure out what we have as far as utilities in Mann's Ranch.

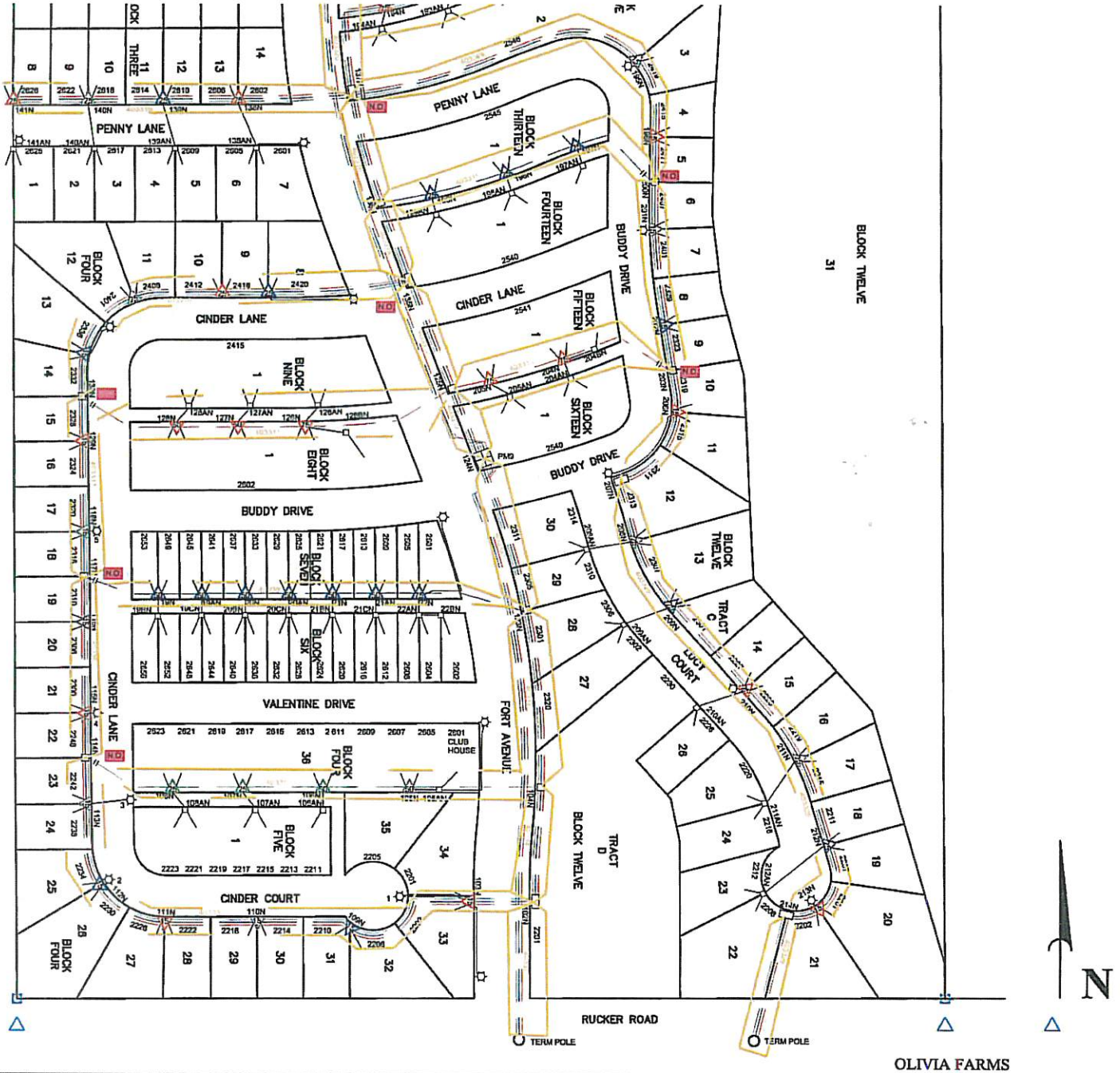
Lance Custer will be at the meeting as well.

Attachments: Diagrams of Olivia Farms, Resolution R-2337, Resolution R-2556, Prairie Ridge diagram, Deer Creek Diagram.

OLIVIA FARMS



OLIVIA FARMS
(1st-4th portion)



OLIVIA FARMS

DATE	REVISION
9/2002	2002 UPDATE
3/2010	2009 UPDATE

GEARY COUNTY T11S-R5E
D.S. & O. RURAL ELECTRIC COOPERATIVE
SOLOMON, KANSAS
KSI ENGINEERING - TOPEKA, KANSAS

40-1N

10

RESOLUTION NO. R-2337

WHEREAS, The City of Junction City, Kansas, a municipal corporation, has heretofore granted DS & O Electric Company, A Kansas corporation, a franchise to use the public streets, alleys, and thoroughfares in the said City for the purpose of supplying electricity to the City of Junction City, Kansas, and the inhabitants thereof, being Ordinance No. G-920, and

Whereas, the said Company is furnishing street lighting service in the City of Junction City, Kansas, and it is the desire of the said City that certain changes and/or extensions be made in the existing street lighting system:

NOW THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF JUNCTION CITY, KANSAS:

Section 1. That the City of Junction City, Kansas, request and authorize DS & O Electric Company to make the following changes and/or additions to the existing street lighting system in the said City:

INSTALL TWENTY-NINE (29) STREET LIGHTS FOR THE PURPOSE OF LIGHTING THE AREA OF OLIVIA FARMS SUBDIVISION.

Section 2. That the City of Junction City, Kansas, pay DS & O Electric for the street lighting service and other related charges resulting from the additions or changes described above at prices and terms and conditions set forth in the Company's rate schedule SL, now on file with the State Corporation Commission or other regulatory body having jurisdiction over the rates charged by the Company. The prices applicable to the service covered by this resolution and named in said schedule are as follows:

INSTALL TWENTY-NINE (29) 150 WATT HPS LAMPS @ $7.75 PER MONTH EACH.

Section 3. All maintenance or repair of said street lighting equipment or system shall be the responsibility of DS & O Electric.

Passed and approved this 1st day of May, 2007 by the governing body of the City of Junction City, Kansas.

Mike Rhodes, Mayor

ATTEST:

Colleen Woodruff, City Clerk

RESOLUTION NO. R-2556

WHEREAS, The City of Junction City, Kansas, a municipal corporation, has heretofore granted DS & O Electric Company, A Kansas Corporation, a franchise to use the public streets, alleys, and thoroughfares in the said City for the purpose of supplying electricity to the City of Junction City, Kansas, and the inhabitants thereof, being Ordinance No. G-920, and

Whereas, the said Company is furnishing street lighting service in the City of Junction City, Kansas, and it is the desire of the said City that certain changes and/or extensions be made in the existing street lighting system:

NOW THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF JUNCTION CITY, KANSAS:

Section 1. That the City of Junction City, Kansas, request and authorize DS & O Electric Company to make the following changes and/or additions to the existing street lighting system in the said City:

PROVIDE ELECTRICAL SERVICE FOR FORTY-ONE (41) STREET LIGHTS FOR THE PURPOSE OF LIGHTING THE AREA OF OLIVIA FARMS SUBDIVISION.

Section 2. That the City of Junction City, Kansas, pay DS & O Electric for the street lighting service and other related charges resulting from the additions or changes described above at prices and terms and conditions set forth in the Company's rate schedule SL, now on file with the State Corporation Commission or other regulatory body having jurisdiction over the rates charged by the Company. The prices applicable to the service covered by this resolution and named in said schedule are as follows:

PROVIDE ELECTRICAL SERVICE FOR FORTY-ONE (41) 150 WATT HPS LAMPS @ $7.75 PER MONTH EACH.

Section 3. All maintenance or repair of said street lighting equipment or system shall be the responsibility of DS & O Electric.

Section 4. This Ordinance shall repeal and replace Ordinance R-2337 approved by the City Commission on May 1st 2007.

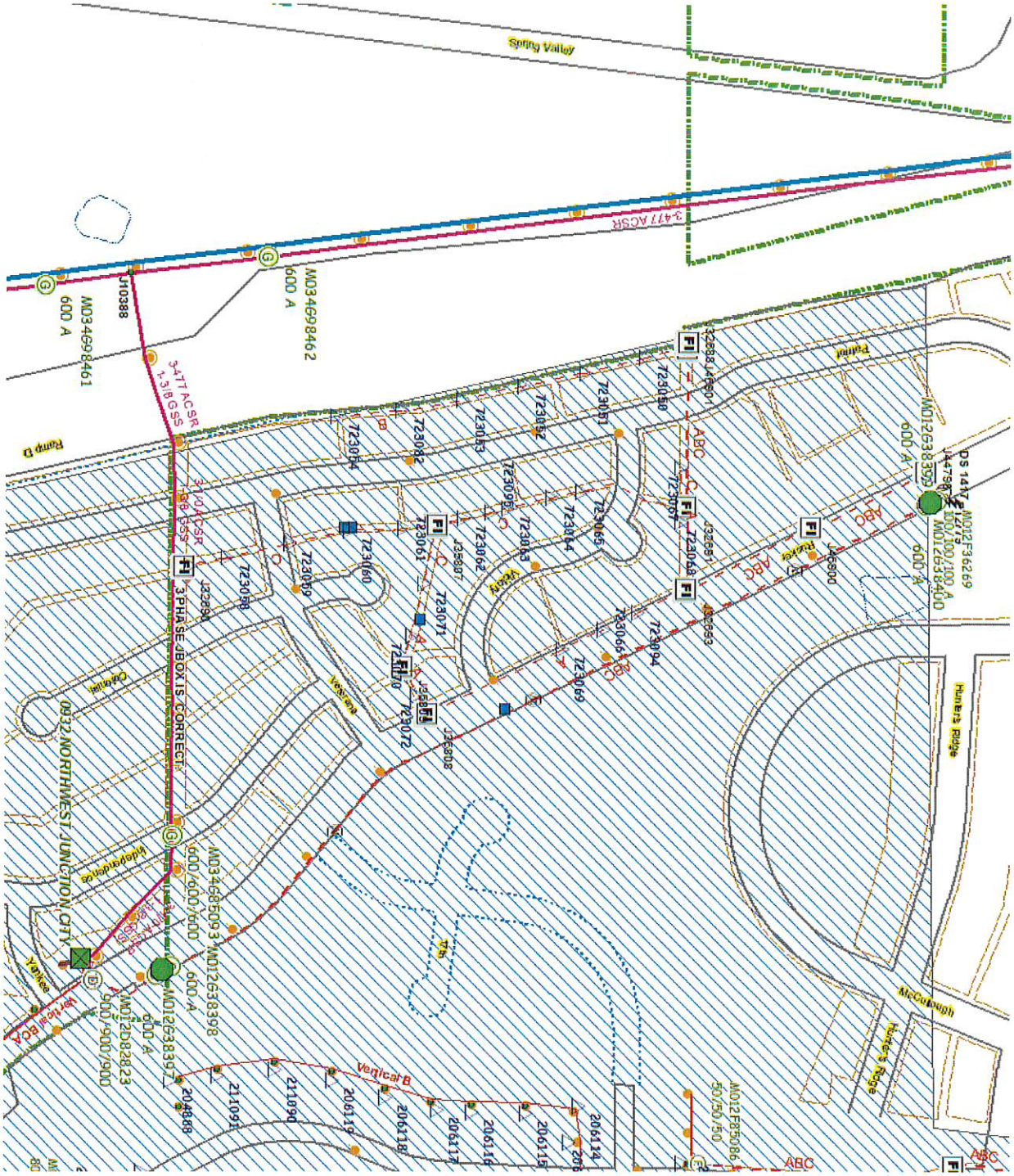
Passed and approved this _____day of _____, 2009 by the governing body of the City of Junction City, Kansas.

_____
, Mayor

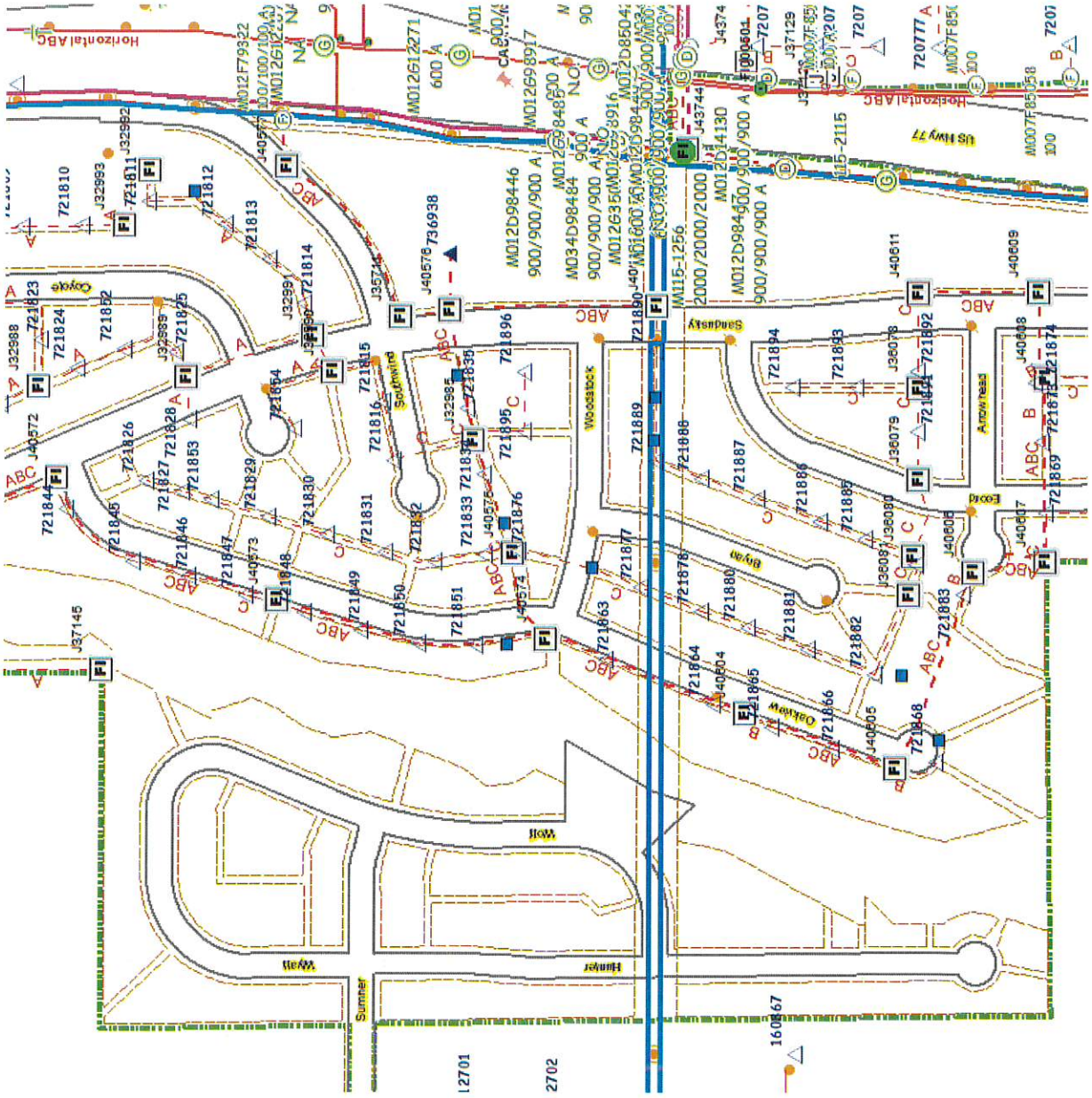
ATTEST:

_____
Tricia Gowen, City Clerk

Prairie Ridge



Deer Creek


Horizontal ABC
US Hwy 77
Sandpiper
Woodstock
Amherst
Wall
Hunter
Sumner
2701
2702

Backup material for agenda item:

c. Consider the offer from Roy Fausnett & Christopher Richie to purchase Lot 1, Block 11 of Olivia Farms Subdivision and Lots 31 & 2, Block 12, Olivia Farms Subdivision in the amount of $15,000.00.

City of Junction City

Land Bank

Agenda Memo

11-06-2018

From: Allen J. Dinkel, City Manager

To: Land Bank Board

Subject: **Land Bank Offer**

Objective: Consider offer to purchase three Land Bank lots.

Explanation of Issue: Roy Fausnett and Christopher Richie are offering to purchase Lot 31 & 2, Block 12 of Olivia Farms Subdivision and Lot 1, Block 11 of Olivia Farms Subdivision for $15,000.00. We are checking into the electric utility issue on these lots so that may affect this.

Options: **1.** Accept the offer
2. Reject the Offer

Staff Recommendation:

Attachments: Sale Contract.

FLINT HILLS ASSOCIATION OF REALTORS®

RESIDENTIAL REAL ESTATE SALE CONTRACT

THIS CONTRACT is made between:

SELLER: Junction City Land Bank (State marital status)

BUYER: Roy Fausnett, Christopher Richie

BUYER TAKING TITLE AS: [X] JTWROS **OR** [ ] Tenants in Common

1. PROPERTY. BUYER agrees to purchase and SELLER agrees to sell the real property and the improvements **(the "Property")** commonly known as:

R1644, R1645, R1647	Junction City	KS	66441	Geary
Street Address	**City**	**State**	**Zip**	**County**

LEGAL DESCRIPTION: (As described in the Legal Description Addendum or as described below)
See Addendum "A"
(Subject to easements and restrictions of record)

[ ] Improvements include a manufactured/mobile home. (A manufactured/mobile home may be considered personal property unless certain requirements have been met.)

2. PURCHASE PRICE. The **Purchase Price** for the **Property** is $ 15,000.00 which BUYER agrees to pay as follows:

a. Earnest Money in the form of: ***(check one)***
[X] Personal check **OR** [ ] Other _____
in the amount of $ _____
Deposited with:
[ ] _____ Listing Broker
[X] Heartland Title Escrow/Closing Agent
[ ] If no earnest money deposit or if earnest money deposit is paid directly to SELLER or Listing Broker, escrow/closing agent shall be _____

b. Total Amount financed by BUYER $ _____

c. Balance of Purchase Price to be paid on or before closing date $ 15,000.00

3. CLOSING AND POSSESSION. By December 17, 2018 ("Closing Date") SELLER shall execute and deliver into escrow with the escrow/closing agent a general warranty deed or special warranty deed, if applicable, and all other documents and funds necessary to satisfy SELLER'S obligations under this Contract. By the closing date, BUYER shall execute and deliver to the escrow/closing agent all documents (including any documents required by BUYER'S lender) and funds (including loan proceeds) necessary to satisfy BUYER'S obligations under this Contract. **SELLER AND BUYER ACKNOWLEDGE THAT ALL FUNDS REQUIRED FOR CLOSING MUST BE IN THE FORM OF CASHIER'S CHECK, WIRE TRANSFER OR OTHER CERTIFIED FUNDS.** When all documents and funds have been executed and delivered to the escrow/closing agent, the closing shall be completed. SELLER shall deliver possession of the Property to BUYER on December 17, 2018 at 5:00, P. M., (If left blank, the Closing Date at 5:00 P.M.) **BUYER shall not occupy the Property or place personal property in or on it prior to completion of the Closing.**

4. ADDENDA/CONTINGENCIES. The following Addenda (riders, supplements, etc.) are attached and are a part of this Contract ***(Check Applicable)*:**

[ ] **Contingency for Sale and/or Closing Addendum**
[ ] **Seller's Disclosure Statement of Condition Addendum**
[ ] **Lead-Based Paint Addendum**
[ ] **Other:** _____
[ ] **Other:** _____
[ ] **Other:** _____
[ ] **Other:** _____
[ ] **Other:** _____

C Banker Mowry Custer Realtors®, 522 N. Eisenhower Dr. Junction City KS 66441
P 17 5-762-4663 Fax: 785-762-2292 Raygen Battishill

oliva farms lots

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5. INCLUSIONS AND EXCLUSIONS

This Contract, and no other attachment or writing, provides for what is included in this sale. The purchase price includes all of the improvements (if any) and appurtenances, fixtures and equipment permanently affixed to the premises, including the following, if any:

Attic and ceiling fans	Garage door openers *(and remote transmitting units)*	Other Mirrors *(if attached)*
Bathroom mirrors *(attached & unattached)*	Gas heaters	Outside cooking units *(if attached)*
Central air conditioning	Gas logs and fireplace grates	Owned propane tanks
Central vacuum & attachments	Heating and plumbing equipment *(and fixtures)*	Shelving *(if attached)*
Fences *(incl. invisible & controls)*	Humidifiers *(if attached)*	Soft water conditioner *(if owned)*
Fire, smoke and burglary detection units *(if owned)*	Keys to all doors	Storm windows, doors & screens
Fireplace screens and/or glass doors *(if attached)*	Kitchen appliances *(built-in)*	TV antennas and satellite dishes *(if attached)*
Floor coverings *(if attached)*	Lighting and light fixtures	Sprinkler systems & controls
		Window blinds curtains, drapes, rods and components

Exclusions. The following items are not included in the sale and are not considered part of the Property:

_____

6. CASH SALE.

☒ **Check if Cash Sale.** BUYER shall provide written verification of sufficient funds available to close within _____ days (5 days if left blank) of the effective date of the contract. Buyer may, within _____ days of the effective date of the contract, at BUYER'S expense, obtain an appraisal of the Property by an independent licensed appraiser.

7. FINANCING TERMS. NEW MORTGAGE:

This contract is contingent upon Buyer being approved for a mortgage loan on the subject property from _____ at an interest rate of not more than _____ % per annum, for a term of up to _____ years. If Buyer is disapproved for said loan then this contract shall be null and void and the earnest money shall be returned to Buyer, subject to the provisions of this contract. Approval/disapproval of financing shall be in writing from Buyer's lender, and Buyer shall make application for said financing within five (5) days of Effective Date of this contract, immediately pay all application fees required by the lender and promptly submit any documentation or information requested or required by the lender.

Not less than 3 business days prior to the day of closing, Buyer shall provide to Seller written proof of final mortgage loan approval satisfactory to Seller. If Buyer does not provide said proof by said date, then Seller shall have the right to declare this contract null and void by giving Buyer written notice of Seller's intent to cancel the contract. Buyer shall have three (3) business days, from receipt of said notice to complete the closing by delivering to the escrow agent funds and any other items necessary to complete closing. If the three (3) day period extends beyond the closing date, then the closing date shall be automatically extended to the end of the three (3) day period. If Seller provides written notice of Seller's intent to cancel and Buyer is unable to close within the three (3) day period, then this contract shall be null and void and the earnest money deposit shall be returned to Buyer, subject to the terms of this contract.

☐ **CONVENTIONAL LOAN:** Type of conventional loan: _____ (fixed or adjustable)

☐ **VA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or incur any penalty by forfeiture of earnest money or otherwise, if the Contract purchase price or cost exceeds the reasonable value of the property established by the Department of Veterans Affairs. However, Buyer may proceed with the purchase without regard to the amount of the reasonable value as established by the Department of Veterans Affairs. Seller shall, in addition to any other sums provided for herein, pay all costs associated with obtaining Buyer's loan which the Department of Veterans Affairs will not permit Buyer to pay, provided said costs do not exceed $ _____ ($0 if left blank), subject to the terms set forth above.

☐ **FHA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or to incur any penalty by forfeiture of earnest money or otherwise, unless the Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Department of

Veterans Affairs, or a Direct Endorsement lender setting forth the appraised value of the property of not less than $ _____ (purchase price). The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. **HUD does not warrant the value or the condition of the property. Buyer should satisfy him/herself that the price and condition of the property are acceptable.** Seller shall, in addition to any other sums provided for herein, pay all costs associated with obtaining Buyer's loan which the FHA will not permit Buyer to pay, provided said costs do not exceed $ _____ ($0 if left blank), subject to the terms set forth above.

FHA CERTIFICATION: The borrower, seller, and the selling real estate agent or broker involved in the sales transaction must certify that the terms and conditions of the sales contract are true to the best of their knowledge and belief and that any other agreement entered into by any of the parties in connection with the real estate transaction is part of, or attached to, the sales agreement.

_____ _____

Listing Licensee Date Selling Licensee Date

☐ **OTHER:** _____ (Identify)

TOTAL ADDITIONAL SELLER EXPENSES: (Each line $0 if left blank)

a. **Additional SELLER paid costs:** In addition to any other costs SELLER agreed to pay herein, SELLER agrees to pay other allowable closing costs permitted by lender(s) and/or prepaid items for BUYER, not to exceed: $ _____

b. **Costs Not Payable by BUYER** (Identify)_____ $ _____

c. **Lender(s) approved down payment assistance costs** $ _____

d. **Other** _____ $ _____

TOTAL ADDITIONAL SELLER EXPENSES NOT TO EXCEED $ _____

8. APPRAISED VALUE CONTINGENCY. If the final appraised value of the Property, as determined by BUYER'S appraiser, is not equal to or greater than the Purchase Price, BUYER may cancel this Contract by written notice to SELLER, which notice shall be accompanied by a copy of the appraisal. If within five (5) days after receipt of BUYER'S notice of intent to cancel SELLER does not agree in writing to reduce the purchase price to an amount equal to the final appraised value of the Property, as determined by BUYER'S appraiser; or BUYER and SELLER fail to agree in writing on an acceptable sale price, this Contract shall be canceled and BUYER'S earnest money and any additional deposits shall be returned to BUYER subject to the provisions of Paragraph 12 of this Contract.

9. ☐ LIMITED HOME WARRANTY PLAN. *(Check if applicable)*:
☐ SELLER or ☐ BUYER, at a cost not to exceed $ _____ , agrees to purchase a home warranty plan from _____ (vendor) with a per claim deductible of $ _____ . The ***(Check one)*** ☐ Licensee assisting SELLER or ☐ Licensee assisting BUYER will make arrangements for the home warranty plan, submitting required documentation for such to the escrow agent prior to Closing. Broker may receive a fee from the warranty company. **Home warranty plans may not cover pre-existing conditions and are not a substitute for inspections.**

10. UTILITIES and MAINTENANCE. Until possession or Closing, whichever occurs earlier, SELLER shall: leave all utilities on and maintain the Property in its present condition, remove all possessions, trash and debris, clean the property, perform ordinary and necessary maintenance, upkeep and repair to the property. If applicable, BUYER agrees to reimburse SELLER at closing for any propane gas remaining in tank based on the price per gallon paid by SELLER.

11. CASUALTY INSURANCE AND LOSS. Seller shall bear all risk of loss or damage to the property to date of closing. Seller agrees to carry fire and extended coverage insurance on the improvements in an amount adequate to protect all parties to date of closing of this sale. In the event of loss or damage to the improvements prior to closing, Seller agrees to notify Buyer in writing of such damage. The proceeds of

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any fire or other insurance coverage pertaining to the same shall be used to restore said improvements to the condition they were in prior to such loss; but if such proceeds are inadequate to pay the cost of such restoration, then this contract may, at the option of Buyer or Seller, be terminated, whereupon the escrow agent shall, upon demand, return the earnest money, if any, and all papers deposited by Buyer to Buyer and all papers delivered by Seller to Seller, whereupon all parties shall be released from further liability hereunder. However, notwithstanding the provisions herein, should any loss exceed 10 percent of the purchase price, then Buyer or Seller may elect to terminate this contract. Seller hereby warrants that Seller has not received payment for any insured loss in regards to the subject property for which repairs have not been completed in accordance with the insurance adjuster's estimate of repairs. **It is recommended that homeowners' insurance availability be ascertained during the Inspection Period.**

12. EARNEST MONIES AND ADDITIONAL DEPOSITS. Any Earnest Money or Additional Deposits shall be deposited within five (5) business days of the Effective Date, in an escrow account maintained by Listing Broker or Escrow Agent. BUYER and SELLER agree that the Listing Broker or Escrow Agent may retain any interest earned on escrowed funds. If this Contract is terminated by the express provisions of this Contract or by either party pursuant to a right expressly given in this Contract, the Earnest Money and Additional Deposits shall be returned to BUYER, and neither party shall have any further rights or obligations under this Contract, except as otherwise stated. **Provided, notwithstanding any other terms of this Contract providing for the forfeiture or refund of Earnest Money and Additional Deposits, the parties understand that neither the Listing Broker nor the Escrow Agent can distribute the Earnest Money and Additional Deposits without the written consent of all parties.** If BUYER and SELLER can't agree upon the disposition of the Earnest Money and Additional Deposits or any other funds, Listing Broker or Escrow Agent may commence an inter-pleader action. BUYER and SELLER agree that Listing Broker or Escrow Agent shall be entitled to reimbursement of its costs incurred in connection with the inter-pleader proceeding including, without limitation, reasonable attorneys' fees and expenses. In the absence of a dispute or written consent to distribution, the failure by either to respond in writing to a certified letter from Listing Broker or Escrow Agent within 7 days of receipt or failure to make written demand for return or forfeiture of the Earnest Money and Additional Deposits within thirty (30) days of notice of cancellation of this Contract shall constitute consent to distribution of the Earnest Money and Additional Deposits as suggested in such certified letter. All parties acknowledge that any earnest deposit funds that remain in the Broker's or escrow agent's escrow account for over 5 years may be sent to the State of Kansas.

13. SURVEY. BUYER may, at BUYER'S expense, obtain a survey of the property before the closing date to assure that there are no defects, encroachments, overlaps, boundary line or acreage disputes, or other matters, that would be disclosed by a survey. **BUYER acknowledges that a Mortgagee Inspection Report or "Loan Survey" is not considered a survey.** Prior to the closing date, BUYER shall notify SELLER of any encroachments of any improvements upon, from, or onto the property or any building setback line, property line, or easement, which encroachment shall be deemed to be a title defect. If SELLER does not remedy the defects in title, BUYER shall have the option of (a) completing this purchase and accepting the title SELLER is able to convey without adjustment in the purchase price, or (b) canceling this Contract.

14. EVIDENCE OF TITLE. Prior to the Closing Date, SELLER, at SELLER'S expense, agrees to deliver to BUYER a title insurance commitment from a company authorized to insure titles in Kansas. The title commitment shall commit to insure a marketable fee simple title to the BUYER. However, title to the Property shall be subject to the conditions in this Contract and to customary covenants, declarations, restrictions, zoning laws, easements, party wall agreements, special assessments, and community contracts of record as of the effective date of the title commitment (the "Permitted Exceptions"). If BUYER notifies SELLER in writing of any objections to title, SELLER shall then make a good faith effort to remedy the defects in title. If SELLER does not remedy the title defects before the closing date, BUYER may elect to waive the objections, extend the closing date a reasonable time for SELLER to remedy the defects or cancel this contract. **UNLESS OTHERWISE PROVIDED IN THIS CONTRACT, THE OWNER'S TITLE POLICY WILL INCLUDE MECHANIC'S LIEN COVERAGE. SELLER agrees to pay SELLER'S escrow settlement fee. BUYER agrees to pay BUYER'S mortgage/cash settlement fee.**

15. TAXES, PRORATIONS & SPECIAL ASSESSMENTS. All general/state/county/school and municipal real estate taxes, homes association dues and fees, special assessments, and any other contractual

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obligations of SELLER to be assumed by BUYER for years prior to the current calendar year shall be paid by SELLER. Any of the preceding items which become due and accrue during the calendar year in which SELLER'S warranty deed is delivered (including rents, if applicable) shall be prorated between the parties as of the closing date and, for all years thereafter, to the extent permitted by applicable law, shall be assumed and paid by BUYER. BUYER acknowledges that the property may be subject to a special assessment, fee, or located in an improvement district. BUYER acknowledges that this disclosure is required by Kansas law, and may be found in the Seller's Disclosure or a separate document, if applicable. BUYER acknowledges that, if applicable, SELLER has disclosed to BUYER that the subject property is located in an improvement district created pursuant to Kansas law and is or may be subject to a special assessment or fee pursuant to Kansas law. Furthermore, SELLER has disclosed to BUYER the amount of any applicable special assessment or fee or, if the amount of such special assessment or fee is unknown to SELLER, has given BUYER a good-faith estimate of such special assessment or fee. **(Check One)**

☐ THE SELLER DISCLOSES the estimated annual special assessment tax is _____.
☒ THE SELLER DISCLOSES the actual annual special assessment tax is 0.

If the actual amount of any item, other than taxes for the current year, cannot be ascertained from the public record, the amount of the item for the preceding year will be used for the current year's amount. If the actual amount of taxes for the current calendar year cannot be determined, it will be estimated by using the current year's assessed value, if available from the county taxing authority, and last year's mill levy. If assessed value is not available, the Contract purchase price will be used with last year's mill levy. Buyer and Seller agree to accept such prorations as final and release each other, Broker(s), Agent(s), and Closing Agent(s) from any liability for any increase or decrease in actual taxes due.

16. THIRD PARTY INTEREST. SELLER and BUYER acknowledge that Broker may have a financial interest in third parties providing specialized services required by this Contract including, but not limited to, lender, title insurance company, escrow agent, Closing Agent, warranty company, wood infestation/mechanical/structural or other inspectors and repair personnel. **SELLER and BUYER agree that Broker shall not be responsible for the conduct of third parties providing specialized services whether those services were arranged by SELLER, BUYER, or Broker.**

17. NOTICES. Any notice or other communication required may be delivered in person, by facsimile, United States Postal Service, courier service or email to the address set forth in this Contract or such other address or number as shall be furnished in writing by any such party. Such notice or communication shall be deemed to have been given as of the date and time so delivered. Delivery to or receipt by a party's licensee shall constitute delivery to the party.

18. ENTIRE AGREEMENT AND MANNER OF MODIFICATIONS. This Contract and all attachments, amendments and addenda constitute the complete agreement of the parties, supersede all previous agreements, and may be modified or assigned only by written agreement.

19. DEFAULTS AND REMEDIES. SELLER or BUYER is in default if either fails to comply with any material covenant, agreement or obligation within any time limits required. Following a default by either SELLER or BUYER, the other party shall have the following remedies, subject to the provisions of Paragraph 12:

a. If SELLER defaults, BUYER may (i) specifically enforce this Contract and recover damages suffered by BUYER as a result of the delay in the acquisition of the Property; or (ii) terminate this Contract by written notice to SELLER and, at BUYER'S option, pursue any remedy and damages available by law or in equity. If BUYER elects to terminate this Contract, the Earnest Money shall be returned to BUYER subject to the provisions of Paragraph 12.

b. If BUYER defaults, SELLER may (i) specifically enforce this Contract and recover damages suffered by SELLER as a result of the delay in the sale of the Property; or (ii) terminate this Contract by written notice to BUYER and, at SELLER'S option, either retain the Earnest Money as liquidated damages as SELLER'S sole remedy and not as a penalty or pursue any other remedy and damages available at law or in equity.

If as a result of a default under this Contract, either SELLER or BUYER employs an attorney, the defaulting party shall, unless prohibited by law, reimburse the non-defaulting party for all reasonable attorney's fees, court costs and other legal expenses incurred by the non-defaulting party in connection with the default.

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20. SEXUAL PREDATOR NOTICE. Kansas law requires persons who are convicted of certain crimes, including certain sexually violent crimes, to register with the sheriff of the county in which they reside. If you, as the BUYER, desire information regarding those registrants, you may find information on the homepage of the Kansas Bureau of Investigation (KBI) at http://www.kansas.gov/kbi or by contacting the local sheriff's office.

21. RADON. Every buyer of residential real property is notified that the property may present exposure to dangerous concentrations of indoor radon gas that may place occupants at risk of developing radon-induced lung cancer. Radon, a class-A human carcinogen, is the leading cause of lung cancer in non-smokers and the second leading cause overall. Kansas law requires sellers to disclose any information known to the seller that shows elevated concentrations of radon gas in residential real property. The Kansas department of health and environment recommends all home-buyers have an indoor radon test performed prior to purchasing or taking occupancy of residential real property. All testing for radon should be conducted by a radon measurement technician. Elevated radon concentrations can be easily reduced by a radon mitigation technician. For additional information go to www.kansasradonprogram.org.

22. DISCLAIMER. BUYER acknowledges property is being sold without warranties and guarantees of any kind by SELLER or any broker or agent concerning the condition or value of the property. There are no representations or warranties concerning the condition or value of the property made by SELLER or Broker on which BUYER is relying except as may be fully set forth in writing and signed by them.

23. INSPECTIONS. BUYER may, within _____ calendar days (10 days if left blank) **(the "Inspection Period")** after the Effective Date of this Contract, at BUYER'S expense, have property inspections **which may include any aspect of the property including microbials, other environmental pollutants and Radon.**

a. ACCESS TO PROPERTY, RE-INSPECTIONS, DAMAGES AND REPAIRS. SELLER shall provide BUYER reasonable access to the Property to conduct the inspections, re-inspections, inspection of any corrective measures completed by SELLER and/or final walk through prior to Closing. **BUYER shall be responsible and pay for any damage to the Property resulting from the inspection(s).**

b. WOOD-DESTROYING INSECTS. SELLER AGREES TO PAY TO HAVE THE PROPERTY TREATED for control of infestation by wood-destroying insects if a written inspection report of a licensed pest control firm reveals evidence of active infestation or evidence of past untreated infestation in the main dwelling unit or included additional structures identified below or on the property within 30 feet of such unit or structure(s) (or as otherwise required by government regulations, if BUYER is obtaining an FHA/VA or other government program loan). **The inspection report must be delivered WITHIN THE INSPECTION PERIOD, or any treatment shall be at BUYER'S expense.** If treatment is required, SELLER shall provide Buyer with a certificate evidencing treatment by a licensed pest control firm of SELLER'S choice, which certificate BUYER agrees to accept. Treatment shall be completed no earlier than ninety (90) calendar days prior to the Closing Date. BUYER shall pay for any inspections requested by BUYER and/or required by BUYER'S lender. **Any damage or repair issues related to wood destroying insect infestations must be identified as Unacceptable Conditions. Additional structures to be included in the inspection are:** _____

c. UNACCEPTABLE CONDITIONS DEFINED. An Unacceptable Condition is any condition identified in a written inspection report prepared by an independent qualified inspector of BUYER'S choice, which condition is unacceptable to BUYER and not otherwise excluded in this Contract. Any items marked "Excluded" on Seller's Disclosure cannot be used by BUYER as a reason to cancel or renegotiate this contract. In addition, the following items shall not be considered: _____

_____

d. NOTICE OF UNACCEPTABLE CONDITIONS. If BUYER'S inspections reveal Unacceptable Conditions BUYER may do any one of the following by notifying SELLER;

(1) ACCEPT THE PROPERTY "AS IS". BUYER may notify SELLER that the inspections are satisfactory or do nothing. In either case, BUYER will have waived any right to cancel or renegotiate due to any Unacceptable Conditions; or

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(2) **CANCEL THIS CONTRACT** by notifying SELLER in writing within the inspection period; or
(3) **OFFER TO RENEGOTIATE** with SELLER by notifying SELLER in writing within the inspection period, identifying the Unacceptable Conditions.

BUYER'S notice, as provided above, terminates the inspection period and must be accompanied by the applicable written inspection report(s) from the independent qualified inspector(s).

e. **RESOLUTION OF UNACCEPTABLE CONDITIONS.** BUYER and SELLER shall have _____ days *(5 days if left blank)* after SELLER'S receipt of BUYER'S Inspection Notice/Offer to Renegotiate (the "Renegotiation Period"), to reach an agreement resolving the Unacceptable Conditions. Any of the following executed and delivered to the other party or other party's agent prior to the expiration of the Re-negotiation Period shall constitute such an agreement:
(1) An amendment signed by BUYER and SELLER resolving the Unacceptable Conditions; or
(2) A written statement signed by BUYER accepting the Property "as is" without correction of any Unacceptable Conditions; or
(3) A written statement signed by SELLER agreeing to do everything requested by BUYER in BUYER'S Offer to Renegotiate.

If no agreement resolving the Unacceptable Conditions is reached prior to the expiration of the Renegotiation Period, then either party may cancel this Contract by written notice to the other.

If BUYER does not conduct inspections BUYER shall have waived any right to cancel or renegotiate this Contract pursuant to the inspection provisions. If BUYER conducts inspections but fails to notify SELLER of Unacceptable Conditions prior to the expiration of the Inspection Period, BUYER shall have waived any right to cancel or renegotiate this Contract pursuant to these inspection provisions.

24. AGENCY DISCLOSURE. SELLER/LANDLORD AND BUYER/TENANT HEREBY ACKNOWLEDGE THAT THE REAL ESTATE BROKERAGE RELATIONSHIPS BROCHURE HAS BEEN FURNISHED TO THEM, AND THAT THE BROKERAGE RELATIONSHIPS WERE DISCLOSED TO THEM OR THEIR RESPECTIVE AGENTS AND/OR TRANSACTION BROKERS NO LATER THAN THE FIRST SHOWING, UPON FIRST CONTACT, OR IMMEDIATELY UPON THE OCCURRENCE OF ANY CHANGE TO THAT RELATIONSHIP.

SELLER/LANDLORD AND BUYER/TENANT CONFIRMATION OF BROKERAGE AGENCY RELATIONSHIPS:

A. Licensee assisting SELLER is functioning as:
☐ SELLER'S Agent
☐ Designated SELLER'S Agent **(Supervising Broker acts as a Transaction Broker)**
☒ Transaction Broker and SELLER agree, if applicable, to sign a Transaction Broker Agreement. SELLER is not being represented.
☐ BUYER'S Agent and SELLER is not being represented
☐ Designated BUYER'S Agent **(Supervising Broker acts as a Transaction Broker.)** SELLER is not being represented
☐ Subagent

B. Licensee assisting BUYER is functioning as:
☐ BUYER'S Agent
☐ Designated BUYER'S Agent **(Supervising Broker acts as a Transaction Broker)**
☒ Transaction Broker and BUYER agree, if applicable, to sign a Transaction Broker Agreement. Buyer is not being represented.
☐ SELLER'S Agent and Buyer is not being represented
☐ Designated SELLER'S Agent in BUYER Purchase of the Property **(Supervising Broker acts as a Transaction Broker.)** BUYER is not being represented.
☐ Subagent

25. SOURCE OF COMPENSATION. Brokerage fees, to include but not limited to broker commissions and other fees shall be paid out of escrow at Closing by ☒ SELLER/LANDLORD and, or, ☐ BUYER/TENANT

unless otherwise described in the terms of the respective agency agreements or other SELLER/BUYER agreements. **SELLER/LANDLORD and BUYER/TENANT understand and agree that Brokers may be compensated by more than one party in the transaction.**

26. ADDITIONAL TERMS AND CONDITIONS. _____

27. EXPIRATION. This offer shall expire on _____, at _____ o'clock __ .m. (5:00 p.m. if left blank) unless accepted by SELLER or withdrawn by BUYER before that time.

IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING. TIME IS OF THE ESSENCE OF THIS CONTRACT.

All parties agree that this transaction can be conducted by electronic means according to the Uniform Electronic Transaction Act as adopted in Kansas.

	Roy Fausnett 17 OCT 2018
SELLER Junction City Land Bank **DATE**	**BUYER** Roy Fausnett **DATE**
	Christopher Richie 17 OCT 2018
SELLER **DATE**	**BUYER** Christopher Richie **DATE**
Coldwell Banker Mowry Custer, Realtors	Coldwell Banker Mowry Custer, Realtors
Name of Listing Brokerage	Name of Selling Brokerage
Lance Custer	Raygen Battishill
Name of Licensee Assisting Seller (Please Print)	Name of Licensee Assisting Buyer (Please Print)
(913)961-4832 /	(913)961-4832 /
Listing Licensee Phone # Fax #	Selling Licensee Phone # Fax #
Lance.custer@coldwellbanker.com	Raygen.battishill@coldwellbanker.com
Listing Licensee Email Address	Selling Licensee Email Address
BR0052930	00240809
Listing Agent License #	Selling Agent License #
BR0052930	BR0052930
Supervising Broker License #	Supervising Broker License #

The **Effective Date** shall be the date of final acceptance by the last party to sign this agreement.

FORM CERTIFICATION: *(To be completed by Licensee preparing this form.)*

The undersigned Licensee assisted in completing the blanks in the foregoing form and confirms, to the best of his/her knowledge, that the printed form contains the language approved by Legal Counsel for the Manhattan Association of REALTORS®, Inc. The undersigned Licensee further confirms that no additions or deletions to the approved language have been made, except such changes as may appear hereon made by hand or computer generation and signed and/or initialed by the party submitting this offer. Licensee's signature below is not an opinion as to the legal validity or meaning of any provisions contained in this form, but merely confirms that, to the best of the Licensee's knowledge, no changes have been made to the approved form.

(CHECK ONE)

	Raygen Battishill
☐ Licensee Assisting Seller	☒ Licensee Assisting Buyer

Approved by Legal Counsel of the Flint Hills Association of REALTORS®, Inc. for exclusive use by its REALTOR® members. No warranty is made or implied as to the legal validity of this form, or that it complies in every respect with the law or that its use is appropriate for all situations. Copyright 2017

ADDENDUM "A"

Addendum to contract dated October 17th, 2018 between:
Junction City Land Bank (Sellers) and
Roy Fausnett, Christopher Richie (Buyers) on property located
at R1644, R1645, R1647, Junction City, KS 66441

County Reference numbers for subject properties are R1644- Lot 1, Block 11, R1645- Lot 31 Block 12, R1647, Lot 2 Block 12, OLIVIA FARMS SUBDIV, Junction City, Geary County, KS

Buyers agree to pay the cost of the owner title policy and the settlement fees.

Buyers acknowledge that the Junction City Land Bank, Coldwell Banker Mowry Custer, Realtors and its licensees do not warrant the suitability of the lots and infrastructures. Buyers also acknowledge that the buyers have has the right to conduct any due diligence to determine the suitability of the lots for buyers' intended purpose.

Buyer acknowledges receipt of a copy of the Declaration of Covenants, conditions and restrictions.

SELLER Junction City Land Bank	DATE	BUYER Roy Fausnett	oct 17/18 DATE
SELLER	DATE	BUYER Christopher Richie	17 OCT 2018 DATE

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COLDWELL BANKER
MOWRY CUSTER, REALTORS®

APPROXIMATE SELLER'S PROCEEDS

Seller's Name(s): Junction City Land Bank

Property Address: R1644, R1645, R1647 **Date:** 9/10/2018

A. SELLING PRICE				$ 15,000.00
B. ENCUMBRANCES				
1. First Mortgage				
2. Second Mortgage				
C. ESTIMATED SELLING COST				
1. Policy of Title Insurance				
2. Estimated Escrow/Settlement Agency Fees				
3. Termite Inspection and Report (Possible Corrective and/or Preventative Work Not Included)				
4. Proration of Interest on Existing Loan (Interest is Always One Month in Arrears. Allow One Month's Interest Maximum)				
5. Brokerage Fee	#####	20.00%	$ 3,000.00	
6. Tax Proration	(Flat Fee of $1000 per lot)			
7. Buyer's Cost				
8. Home Warranty				
9. Septic Inspection & Plumbing (Estimated Cost: Uncover/Pump/Inspect $650; Risers $150)				
10. Well Inspection (Estimated Cost: $100-$200)				
11. Attorney Fees				
12. Miscellaneous:				
13. Miscellaneous:				
14. Miscellaneous:				
D. APPROXIMATE TOTAL COSTS AND ENCUMBRANCES				**$ 3,000.00**
E. APPROXIMATE SELLER'S PROCEEDS				**$ 12,000.00**

(Sales Price Less Total Costs)

** The approximate seller's proceeds calculated above will vary according to any differences in unpaid loan balances, escrow account (if any) and any expenses for required corrective and/or preventative work

POSSIBLE ADDITIONAL CREDITS OR DEBITS

- Proration of Property Tax
- Proration or Cancellation of Fl
- Return Balance in Escrow Account
- Encumbrances Not Disclosed By Seller

I am fully aware that this estimate has been prepared to assist me in computing my costs. Whenever possible, the broker has used the maximum charges that can be expected. The above fees and charges are estimates only; actual amounts are not guaranteed by Coldwell Banker and/or any of it's agents or affiliates.

I have read the above figures and acknowledge reciept of a copy of this form.

Seller Date

Lance Custer
Broker/Sales Associate

Date

COLDWELL BANKER MOWRY CUSTER, REALTORS
Company

785-762-4663
Telephone

SPECIAL WARRANTY DEED

THIS INDENTURE is made this __ day of November, 2018, by and between the Junction City Land Bank, an independent agency and instrumentality of the City of Junction City, Kansas, as Grantor, and Roy Fausnett & Christopher Richie, as Grantee.

WITNESSETH, that Grantor, in consideration of the sum of Fifteen Thousand and no/100 Dollars ($15,000.00), the receipt of which is hereby acknowledged, does by these presents SELL AND CONVEY unto Grantee, and to its successors and assigns, with special warranty covenant, all of Grantor's interest in the following-described lot, tract, or parcel of land, lying, being and situate in the County of Geary and State of Kansas, to-wit:

Lot 1, Block 11, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas (R1644)

Lot 31, Block 12, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas (R1645)

Lot 2, Block 12, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas (R1647)

TO HAVE AND TO HOLD THE SAME, together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining, forever. And Grantor, for Grantor's heirs, executors or administrators, do hereby covenant, promise and agree to and with Grantee that, at the delivery of these presents, said interest in said premises is free, clear, discharged and unencumbered of and from all former and other grants, titles, charges, estates, judgments, taxes, assessments and encumbrances of whatsoever nature and kind, except as set forth above, by, through, or under Grantor, and that Grantor will warrant and forever defend said interest unto Grantee and Grantee's successors and assigns against Grantor, and Grantor's successors and assigns, and all and every person or persons whomsoever, lawfully claiming or to claim the same by, through or under Grantor.

IN WITNESS WHEREOF, Grantor has executed this document the day and year first above written.

GRANTOR

JUNCTION CITY LAND BANK

By: _____
Pat Landes,
Chairman, Land Bank Board of Trustees

ATTEST:

_____
Tammy Melton
Secretary, Land Bank Board of Trustees

STATE OF KANSAS)
) ss.
COUNTY OF GEARY)

On this ____ day of _____, 2018, before me, a Notary Public in and for said state, personally appeared Pat Landes, who stated that he is the Chairman of the Junction City Land Bank Board of Trustees, known to me to be the person who executed the within instrument on behalf of said Junction City Land Bank and acknowledged to me that he executed the same for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

_____
Notary Public in and for said
County and State

My Commission Expires:

_____

RESOLUTION NO. 9-2018

A RESOLUTION APPROVING CONTRACT OF PURCHASE, DIRECTING NOTICE OF SALE AND AUTHORIZING THE CHAIRMAN OF THE BOARD OF TRUSTEES OF THE JUNCTION CITY LAND BANK TO EXECUTE A SPECIAL WARRANTY DEED CONVEYING PROPERTY TO ROY FAUSNETT & CHRISTOPHER RICHIE.

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE JUNCTION CITY LAND BANK, THAT:

1. The Contract of Purchase between the Junction City Land Bank and Roy Fausnett & Christopher Richie in the form presented to the Board on this date is hereby approved.

2. The Secretary of the Land Bank is directed to publish a notice of sale in the form presented to the Board on this date.

3. Chairman of the Board of Trustees of the Junction City Land Bank is hereby authorized to sign, and the Secretary attest and deliver the Special Warranty Deed conveying Lot 1, Block 11, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas, Lot 31, Block 12, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas, and Lot 2, Block 12, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas to Roy Fausnett & Christopher Richie.

4. The Chairman and other officials of the Junction City Land Bank are authorized and directed to execute and deliver such other documents and agreements as such officials deem necessary or appropriate to carry out the foregoing resolutions.

PASSED AND ADOPTED BY THE BOARD OF THE JUNCTION CITY LAND BANK THIS 6TH DAY OF NOVEMBER, 2018.

_____
Pat Landes, Chairman

ATTEST:

_____
Tammy Melton, Secretary

CITY OF JUNCTION CITY LAND BANK

NOTICE OF SALE

Notice is hereby given that the Board of Trustees of the Junction City Land Bank have conditionally accepted an offer to purchase the following lots:

Lot 1, Block 11, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas
Lot 31, Block 12, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas
Lot 2, Block 12, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas

with the sale of such lots to be on a date which is not sooner than 30 days after the date of publication of this notice.

/s/ Tammy Melton
Land Bank Secretary
November 6, 2018

Backup material for agenda item:

d. Consider the offer from Roy Fausnett & Tony Fausnett to purchase Lot 1, Block 13 and Lot 1, Block 14 of the Olivia Farms Subdivision in the amount of $10,000.00.

City of Junction City

Land Bank

Agenda Memo

11-06-2018

From: Allen J. Dinkel, City Manager

To: Land Bank Board

Subject: **Land Bank Offer**

Objective: Consider offer to purchase two Land Bank lots.

Explanation of Issue: Roy Fausnett and Tony Fausnett are offering to purchase Lot 1, Block 13 and Lot 1, Block 14 of Olivia Farms Subdivision for $10,000.00. We are checking into the electric utility issue on this one so that may affect this.

Options: 1. Accept the offer
2. Reject the Offer

Staff Recommendation:

Attachments: Sale Contract.

COLDWELL BANKER
MOWRY CUSTER, REALTORS®

APPROXIMATE SELLER'S PROCEEDS

Seller's Name(s): Junction City Land Bank

Property Address: R1678, R1679 **Date:** 10/18/2018

A. SELLING PRICE				$ 10,000.00
B. ENCUMBRANCES				
1. First Mortgage				
2. Second Mortgage				
C. ESTIMATED SELLING COST				
1. Policy of Title Insurance				
2. Estimated Escrow/Settlement Agency Fees				
3. Termite Inspection and Report (Possible Corrective and/or Preventative Work Not Included)				
4. Proration of Interest on Existing Loan (Interest is Always One Month in Arrears. Allow One Month's Interest Maximum)				
5. Brokerage Fee	######	20.00%	$ 2,000.00	
6. Tax Proration	(Flat Fee of $1000 per lot)			
7. Buyer's Cost				
8. Home Warranty				
9. Septic Inspection & Plumbing (Estimated Cost: Uncover/Pump/Inspect $650; Risers $150)				
10. Well Inspection (Estimated Cost: $100-$200)				
11. Attorney Fees				
12. Miscellaneous:				
13. Miscellaneous:				
14. Miscellaneous:				
D. APPROXIMATE TOTAL COSTS AND ENCUMBRANCES				**$ 2,000.00**
E. APPROXIMATE SELLER'S PROCEEDS				**$ 8,000.00**

(Sales Price Less Total Costs)

** The approximate seller's proceeds calculated above will vary according to any differences in unpaid loan balances, escrow account (if any) and any expenses for required corrective and/or preventative work

POSSIBLE ADDITIONAL CREDITS OR DEBITS

- Proration of Property Tax
- Proration or Cancellation of Fi
- Return Balance in Escrow Account
- Encumbrances Not Disclosed By Seller

I am fully aware that this estimate has been prepared to assist me in computing my costs. Whenever possible, the broker has used the maximum charges that can be expected. The above fees and charges are estimates only; actual amounts are not guaranteed by Coldwell Banker and/or any of it's agents or affiliates.

I have read the above figures and acknowledge reciept of a copy of this form.

Seller Date

Raygen Battishill
Broker/Sales Associate

Date

COLDWELL BANKER MOWRY CUSTER, REALTORS
Company

785-762-4663
Telephone

FLINT HILLS ASSOCIATION OF REALTORS®

RESIDENTIAL REAL ESTATE SALE CONTRACT

THIS CONTRACT is made between:

SELLER: Junction City Land Bank (State marital status)

BUYER: Roy Fausnett, Tony Fausnett

BUYER TAKING TITLE AS: [X] JTWROS **OR** [ ] Tenants in Common

1. PROPERTY. BUYER agrees to purchase and SELLER agrees to sell the real property and the improvements **(the "Property")** commonly known as:

R1678, R1679	Junction City	KS	67431	
Street Address	**City**	**State**	**Zip**	**County**

LEGAL DESCRIPTION: (As described in the Legal Description Addendum or as described below)
See Addendum 1

(Subject to easements and restrictions of record)

[ ] Improvements include a manufactured/mobile home. (A manufactured/mobile home may be considered personal property unless certain requirements have been met.)

2. PURCHASE PRICE. The **Purchase Price** for the **Property** is $ 10,000.00 which BUYER agrees to pay as follows:

a. Earnest Money in the form of: ***(check one)***

[X] Personal check **OR** [ ] Other _____ in the amount of $ 2,000.00

Deposited with:

[ ] _____ Listing Broker

[X] Heatland Title Escrow/Closing Agent

[ ] If no earnest money deposit or if earnest money deposit is paid directly to SELLER or Listing Broker, escrow/closing agent shall be _____

b. Total Amount financed by BUYER $ _____

c. Balance of Purchase Price to be paid on or before closing date $ 8,000.00

3. CLOSING AND POSSESSION. By December 17, 2018 ("Closing Date") SELLER shall execute and deliver into escrow with the escrow/closing agent a general warranty deed or special warranty deed, if applicable, and all other documents and funds necessary to satisfy SELLER'S obligations under this Contract. By the closing date, BUYER shall execute and deliver to the escrow/closing agent all documents (including any documents required by BUYER'S lender) and funds (including loan proceeds) necessary to satisfy BUYER'S obligations under this Contract. **SELLER AND BUYER ACKNOWLEDGE THAT ALL FUNDS REQUIRED FOR CLOSING MUST BE IN THE FORM OF CASHIER'S CHECK, WIRE TRANSFER OR OTHER CERTIFIED FUNDS.** When all documents and funds have been executed and delivered to the escrow/closing agent, the closing shall be completed. SELLER shall deliver possession of the Property to BUYER on December 17, 2018 at _____, __ . M., (If left blank, the Closing Date at 5:00 P.M.) **BUYER shall not occupy the Property or place personal property in or on it prior to completion of the Closing.**

4. ADDENDA/CONTINGENCIES. The following Addenda (riders, supplements, etc.) are attached and are a part of this Contract ***(Check Applicable)*:**

[ ] **Contingency for Sale and/or Closing Addendum**	[ ] **Other:** _____
[ ] **Seller's Disclosure Statement of Condition Addendum**	[ ] **Other:** _____
[ ] **Lead-Based Paint Addendum**	[ ] **Other:** _____
[X] **Other:** Addendum 2	[ ] **Other:** _____

Banker Mowry Custer Realtors®, 522 N. Eisenhower Dr. Junction City KS 66441
785-762-4663 Fax: 785-762-2292 Raygen Battishill

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Roy Lots

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5. INCLUSIONS AND EXCLUSIONS

This Contract, and no other attachment or writing, provides for what is included in this sale. The purchase price includes all of the improvements (if any) and appurtenances, fixtures and equipment permanently affixed to the premises, including the following, if any:

Attic and ceiling fans	Garage door openers *(and remote transmitting units)*	Other Mirrors *(if attached)*
Bathroom mirrors (*attached & unattached)*	Gas heaters	Outside cooking units *(if attached)*
Central air conditioning	Gas logs and fireplace grates	Owned propane tanks
Central vacuum & attachments	Heating and plumbing equipment *(and fixtures)*	Shelving *(if attached)*
Fences *(incl. invisible & controls)*	Humidifiers *(if attached)*	Soft water conditioner *(if owned)*
Fire, smoke and burglary detection units *(if owned)*	Keys to all doors	Storm windows, doors & screens
Fireplace screens and/or glass doors *(if attached)*	Kitchen appliances *(built-in)*	TV antennas and satellite dishes *(if attached)*
Floor coverings *(if attached)*	Lighting and light fixtures	Sprinkler systems & controls
		Window blinds curtains, drapes, rods and components

Exclusions. The following items are not included in the sale and are not considered part of the Property:

_____

6. CASH SALE.

☒ **Check if Cash Sale.** BUYER shall provide written verification of sufficient funds available to close within _____ days (5 days if left blank) of the effective date of the contract. Buyer may, within _____ days of the effective date of the contract, at BUYER'S expense, obtain an appraisal of the Property by an independent licensed appraiser.

7. FINANCING TERMS. NEW MORTGAGE:

This contract is contingent upon Buyer being approved for a mortgage loan on the subject property from _____ at an interest rate of not more than _____ % per annum, for a term of up to _____ years. If Buyer is disapproved for said loan then this contract shall be null and void and the earnest money shall be returned to Buyer, subject to the provisions of this contract. Approval/disapproval of financing shall be in writing from Buyer's lender, and Buyer shall make application for said financing within five (5) days of Effective Date of this contract, immediately pay all application fees required by the lender and promptly submit any documentation or information requested or required by the lender.

Not less than 3 business days prior to the day of closing, Buyer shall provide to Seller written proof of final mortgage loan approval satisfactory to Seller. If Buyer does not provide said proof by said date, then Seller shall have the right to declare this contract null and void by giving Buyer written notice of Seller's intent to cancel the contract. Buyer shall have three (3) business days, from receipt of said notice to complete the closing by delivering to the escrow agent funds and any other items necessary to complete closing. If the three (3) day period extends beyond the closing date, then the closing date shall be automatically extended to the end of the three (3) day period. If Seller provides written notice of Seller's intent to cancel and Buyer is unable to close within the three (3) day period, then this contract shall be null and void and the earnest money deposit shall be returned to Buyer, subject to the terms of this contract.

☐ **CONVENTIONAL LOAN:** Type of conventional loan: _____ (fixed or adjustable)

☐ **VA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or incur any penalty by forfeiture of earnest money or otherwise, if the Contract purchase price or cost exceeds the reasonable value of the property established by the Department of Veterans Affairs. However, Buyer may proceed with the purchase without regard to the amount of the reasonable value as established by the Department of Veterans Affairs. Seller shall, in addition to any other sums provided for herein, pay all costs associated with obtaining Buyer's loan which the Department of Veterans Affairs will not permit Buyer to pay, provided said costs do not exceed $ _____ ($0 if left blank), subject to the terms set forth above.

☐ **FHA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or to incur any penalty by forfeiture of earnest money or otherwise, unless the Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Department of

Veterans Affairs, or a Direct Endorsement lender setting forth the appraised value of the property of not less than $ _____ (purchase price). The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. **HUD does not warrant the value or the condition of the property. Buyer should satisfy him/herself that the price and condition of the property are acceptable.** Seller shall, in addition to any other sums provided for herein, pay all costs associated with obtaining Buyer's loan which the FHA will not permit Buyer to pay, provided said costs do not exceed $ _____ ($0 if left blank), subject to the terms set forth above.

FHA CERTIFICATION: The borrower, seller, and the selling real estate agent or broker involved in the sales transaction must certify that the terms and conditions of the sales contract are true to the best of their knowledge and belief and that any other agreement entered into by any of the parties in connection with the real estate transaction is part of, or attached to, the sales agreement.

_____ _____

Listing Licensee Date Selling Licensee Date

☐ **OTHER:** _____ (Identify)

TOTAL ADDITIONAL SELLER EXPENSES: (Each line $0 if left blank)

a. **Additional SELLER paid costs:** In addition to any other costs SELLER agreed to pay herein, SELLER agrees to pay other allowable closing costs permitted by lender(s) and/or prepaid items for BUYER, not to exceed: $ _____

b. **Costs Not Payable by BUYER** (Identify) _____ $ _____

c. **Lender(s) approved down payment assistance costs** $ _____

d. **Other** _____ $ _____

TOTAL ADDITIONAL SELLER EXPENSES NOT TO EXCEED $ _____

8. APPRAISED VALUE CONTINGENCY. If the final appraised value of the Property, as determined by BUYER'S appraiser, is not equal to or greater than the Purchase Price, BUYER may cancel this Contract by written notice to SELLER, which notice shall be accompanied by a copy of the appraisal. If within five (5) days after receipt of BUYER'S notice of intent to cancel SELLER does not agree in writing to reduce the purchase price to an amount equal to the final appraised value of the Property, as determined by BUYER'S appraiser; or BUYER and SELLER fail to agree in writing on an acceptable sale price, this Contract shall be canceled and BUYER'S earnest money and any additional deposits shall be returned to BUYER subject to the provisions of Paragraph 12 of this Contract.

9. ☐ LIMITED HOME WARRANTY PLAN. *(Check if applicable)*:

☐ SELLER or ☐ BUYER, at a cost not to exceed $ _____, agrees to purchase a home warranty plan from _____ (vendor) with a per claim deductible of $ _____. The ***(Check one)*** ☐ Licensee assisting SELLER or ☐ Licensee assisting BUYER will make arrangements for the home warranty plan, submitting required documentation for such to the escrow agent prior to Closing. Broker may receive a fee from the warranty company. **Home warranty plans may not cover pre-existing conditions and are not a substitute for inspections.**

10. UTILITIES and MAINTENANCE. Until possession or Closing, whichever occurs earlier, SELLER shall: leave all utilities on and maintain the Property in its present condition, remove all possessions, trash and debris, clean the property, perform ordinary and necessary maintenance, upkeep and repair to the property. If applicable, BUYER agrees to reimburse SELLER at closing for any propane gas remaining in tank based on the price per gallon paid by SELLER.

11. CASUALTY INSURANCE AND LOSS. Seller shall bear all risk of loss or damage to the property to date of closing. Seller agrees to carry fire and extended coverage insurance on the improvements in an amount adequate to protect all parties to date of closing of this sale. In the event of loss or damage to the improvements prior to closing, Seller agrees to notify Buyer in writing of such damage. The proceeds of

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any fire or other insurance coverage pertaining to the same shall be used to restore said improvements to the condition they were in prior to such loss; but if such proceeds are inadequate to pay the cost of such restoration, then this contract may, at the option of Buyer or Seller, be terminated, whereupon the escrow agent shall, upon demand, return the earnest money, if any, and all papers deposited by Buyer to Buyer and all papers delivered by Seller to Seller, whereupon all parties shall be released from further liability hereunder. However, notwithstanding the provisions herein, should any loss exceed 10 percent of the purchase price, then Buyer or Seller may elect to terminate this contract. Seller hereby warrants that Seller has not received payment for any insured loss in regards to the subject property for which repairs have not been completed in accordance with the insurance adjuster's estimate of repairs. **It is recommended that homeowners' insurance availability be ascertained during the Inspection Period.**

12. EARNEST MONIES AND ADDITIONAL DEPOSITS. Any Earnest Money or Additional Deposits shall be deposited within five (5) business days of the Effective Date, in an escrow account maintained by Listing Broker or Escrow Agent. BUYER and SELLER agree that the Listing Broker or Escrow Agent may retain any interest earned on escrowed funds. If this Contract is terminated by the express provisions of this Contract or by either party pursuant to a right expressly given in this Contract, the Earnest Money and Additional Deposits shall be returned to BUYER, and neither party shall have any further rights or obligations under this Contract, except as otherwise stated. **Provided, notwithstanding any other terms of this Contract providing for the forfeiture or refund of Earnest Money and Additional Deposits, the parties understand that neither the Listing Broker nor the Escrow Agent can distribute the Earnest Money and Additional Deposits without the written consent of all parties.** If BUYER and SELLER can't agree upon the disposition of the Earnest Money and Additional Deposits or any other funds, Listing Broker or Escrow Agent may commence an inter-pleader action. BUYER and SELLER agree that Listing Broker or Escrow Agent shall be entitled to reimbursement of its costs incurred in connection with the inter-pleader proceeding including, without limitation, reasonable attorneys' fees and expenses. In the absence of a dispute or written consent to distribution, the failure by either to respond in writing to a certified letter from Listing Broker or Escrow Agent within 7 days of receipt or failure to make written demand for return or forfeiture of the Earnest Money and Additional Deposits within thirty (30) days of notice of cancellation of this Contract shall constitute consent to distribution of the Earnest Money and Additional Deposits as suggested in such certified letter. All parties acknowledge that any earnest deposit funds that remain in the Broker's or escrow agent's escrow account for over 5 years may be sent to the State of Kansas.

13. SURVEY. BUYER may, at BUYER'S expense, obtain a survey of the property before the closing date to assure that there are no defects, encroachments, overlaps, boundary line or acreage disputes, or other matters, that would be disclosed by a survey. **BUYER acknowledges that a Mortgagee Inspection Report or "Loan Survey" is not considered a survey.** Prior to the closing date, BUYER shall notify SELLER of any encroachments of any improvements upon, from, or onto the property or any building setback line, property line, or easement, which encroachment shall be deemed to be a title defect. If SELLER does not remedy the defects in title, BUYER shall have the option of (a) completing this purchase and accepting the title SELLER is able to convey without adjustment in the purchase price, or (b) canceling this Contract.

14. EVIDENCE OF TITLE. Prior to the Closing Date, SELLER, at SELLER'S expense, agrees to deliver to BUYER a title insurance commitment from a company authorized to insure titles in Kansas. The title commitment shall commit to insure a marketable fee simple title to the BUYER. However, title to the Property shall be subject to the conditions in this Contract and to customary covenants, declarations, restrictions, zoning laws, easements, party wall agreements, special assessments, and community contracts of record as of the effective date of the title commitment (the "Permitted Exceptions"). If BUYER notifies SELLER in writing of any objections to title, SELLER shall then make a good faith effort to remedy the defects in title. If SELLER does not remedy the title defects before the closing date, BUYER may elect to waive the objections, extend the closing date a reasonable time for SELLER to remedy the defects or cancel this contract. **UNLESS OTHERWISE PROVIDED IN THIS CONTRACT, THE OWNER'S TITLE POLICY WILL INCLUDE MECHANIC'S LIEN COVERAGE. SELLER agrees to pay SELLER'S escrow settlement fee. BUYER agrees to pay BUYER'S mortgage/cash settlement fee.**

15. TAXES, PRORATIONS & SPECIAL ASSESSMENTS. All general/state/county/school and municipal real estate taxes, homes association dues and fees, special assessments, and any other contractual

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obligations of SELLER to be assumed by BUYER for years prior to the current calendar year shall be paid by SELLER. Any of the preceding items which become due and accrue during the calendar year in which SELLER'S warranty deed is delivered (including rents, if applicable) shall be prorated between the parties as of the closing date and, for all years thereafter, to the extent permitted by applicable law, shall be assumed and paid by BUYER. BUYER acknowledges that the property may be subject to a special assessment, fee, or located in an improvement district. BUYER acknowledges that this disclosure is required by Kansas law, and may be found in the Seller's Disclosure or a separate document, if applicable. BUYER acknowledges that, if applicable, SELLER has disclosed to BUYER that the subject property is located in an improvement district created pursuant to Kansas law and is or may be subject to a special assessment or fee pursuant to Kansas law. Furthermore, SELLER has disclosed to BUYER the amount of any applicable special assessment or fee or, if the amount of such special assessment or fee is unknown to SELLER, has given BUYER a good-faith estimate of such special assessment or fee. **(Check One)**

☐ THE SELLER DISCLOSES the estimated annual special assessment tax is _____.
☒ THE SELLER DISCLOSES the actual annual special assessment tax is 0.

If the actual amount of any item, other than taxes for the current year, cannot be ascertained from the public record, the amount of the item for the preceding year will be used for the current year's amount. If the actual amount of taxes for the current calendar year cannot be determined, it will be estimated by using the current year's assessed value, if available from the county taxing authority, and last year's mill levy. If assessed value is not available, the Contract purchase price will be used with last year's mill levy. Buyer and Seller agree to accept such prorations as final and release each other, Broker(s), Agent(s), and Closing Agent(s) from any liability for any increase or decrease in actual taxes due.

16. THIRD PARTY INTEREST. SELLER and BUYER acknowledge that Broker may have a financial interest in third parties providing specialized services required by this Contract including, but not limited to, lender, title insurance company, escrow agent, Closing Agent, warranty company, wood infestation/mechanical/structural or other inspectors and repair personnel. **SELLER and BUYER agree that Broker shall not be responsible for the conduct of third parties providing specialized services whether those services were arranged by SELLER, BUYER, or Broker.**

17. NOTICES. Any notice or other communication required may be delivered in person, by facsimile, United States Postal Service, courier service or email to the address set forth in this Contract or such other address or number as shall be furnished in writing by any such party. Such notice or communication shall be deemed to have been given as of the date and time so delivered. Delivery to or receipt by a party's licensee shall constitute delivery to the party.

18. ENTIRE AGREEMENT AND MANNER OF MODIFICATIONS. This Contract and all attachments, amendments and addenda constitute the complete agreement of the parties, supersede all previous agreements, and may be modified or assigned only by written agreement.

19. DEFAULTS AND REMEDIES. SELLER or BUYER is in default if either fails to comply with any material covenant, agreement or obligation within any time limits required. Following a default by either SELLER or BUYER, the other party shall have the following remedies, subject to the provisions of Paragraph 12:

a. If SELLER defaults, BUYER may (i) specifically enforce this Contract and recover damages suffered by BUYER as a result of the delay in the acquisition of the Property; or (ii) terminate this Contract by written notice to SELLER and, at BUYER'S option, pursue any remedy and damages available by law or in equity. If BUYER elects to terminate this Contract, the Earnest Money shall be returned to BUYER subject to the provisions of Paragraph 12.

b. If BUYER defaults, SELLER may (i) specifically enforce this Contract and recover damages suffered by SELLER as a result of the delay in the sale of the Property; or (ii) terminate this Contract by written notice to BUYER and, at SELLER'S option, either retain the Earnest Money as liquidated damages as SELLER'S sole remedy and not as a penalty or pursue any other remedy and damages available at law or in equity.

If as a result of a default under this Contract, either SELLER or BUYER employs an attorney, the defaulting party shall, unless prohibited by law, reimburse the non-defaulting party for all reasonable attorney's fees, court costs and other legal expenses incurred by the non-defaulting party in connection with the default.

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20. SEXUAL PREDATOR NOTICE. Kansas law requires persons who are convicted of certain crimes, including certain sexually violent crimes, to register with the sheriff of the county in which they reside. If you, as the BUYER, desire information regarding those registrants, you may find information on the homepage of the Kansas Bureau of Investigation (KBI) at http://www.kansas.gov/kbi or by contacting the local sheriff's office.

21. RADON. Every buyer of residential real property is notified that the property may present exposure to dangerous concentrations of indoor radon gas that may place occupants at risk of developing radon-induced lung cancer. Radon, a class-A human carcinogen, is the leading cause of lung cancer in non-smokers and the second leading cause overall. Kansas law requires sellers to disclose any information known to the seller that shows elevated concentrations of radon gas in residential real property. The Kansas department of health and environment recommends all home-buyers have an indoor radon test performed prior to purchasing or taking occupancy of residential real property. All testing for radon should be conducted by a radon measurement technician. Elevated radon concentrations can be easily reduced by a radon mitigation technician. For additional information go to www.kansasradonprogram.org.

22. DISCLAIMER. BUYER acknowledges property is being sold without warranties and guarantees of any kind by SELLER or any broker or agent concerning the condition or value of the property. There are no representations or warranties concerning the condition or value of the property made by SELLER or Broker on which BUYER is relying except as may be fully set forth in writing and signed by them.

23. INSPECTIONS. BUYER may, within _____ calendar days (10 days if left blank) **(the "Inspection Period")** after the Effective Date of this Contract, at BUYER'S expense, have property inspections **which may include any aspect of the property including microbials, other environmental pollutants and Radon.**

a. ACCESS TO PROPERTY, RE-INSPECTIONS, DAMAGES AND REPAIRS. SELLER shall provide BUYER reasonable access to the Property to conduct the inspections, re-inspections, inspection of any corrective measures completed by SELLER and/or final walk through prior to Closing. **BUYER shall be responsible and pay for any damage to the Property resulting from the inspection(s).**

b. WOOD-DESTROYING INSECTS. SELLER AGREES TO PAY TO HAVE THE PROPERTY TREATED for control of infestation by wood-destroying insects if a written inspection report of a licensed pest control firm reveals evidence of active infestation or evidence of past untreated infestation in the main dwelling unit or included additional structures identified below or on the property within 30 feet of such unit or structure(s) (or as otherwise required by government regulations, if BUYER is obtaining an FHA/VA or other government program loan). **The inspection report must be delivered WITHIN THE INSPECTION PERIOD, or any treatment shall be at BUYER'S expense.** If treatment is required, SELLER shall provide Buyer with a certificate evidencing treatment by a licensed pest control firm of SELLER'S choice, which certificate BUYER agrees to accept. Treatment shall be completed no earlier than ninety (90) calendar days prior to the Closing Date. BUYER shall pay for any inspections requested by BUYER and/or required by BUYER'S lender. **Any damage or repair issues related to wood destroying insect infestations must be identified as Unacceptable Conditions. Additional structures to be included in the inspection are:** _____

c. UNACCEPTABLE CONDITIONS DEFINED. An Unacceptable Condition is any condition identified in a written inspection report prepared by an independent qualified inspector of BUYER'S choice, which condition is unacceptable to BUYER and not otherwise excluded in this Contract. Any items marked "Excluded" on Seller's Disclosure cannot be used by BUYER as a reason to cancel or renegotiate this contract. In addition, the following items shall not be considered: _____

_____

d. NOTICE OF UNACCEPTABLE CONDITIONS. If BUYER'S inspections reveal Unacceptable Conditions BUYER may do any one of the following by notifying SELLER;

(1) ACCEPT THE PROPERTY "AS IS". BUYER may notify SELLER that the inspections are satisfactory or do nothing. In either case, BUYER will have waived any right to cancel or renegotiate due to any Unacceptable Conditions; or

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(2) CANCEL THIS CONTRACT by notifying SELLER in writing within the inspection period; or
(3) OFFER TO RENEGOTIATE with SELLER by notifying SELLER in writing within the inspection period, identifying the Unacceptable Conditions.

BUYER'S notice, as provided above, terminates the inspection period and must be accompanied by the applicable written inspection report(s) from the independent qualified inspector(s).

e. **RESOLUTION OF UNACCEPTABLE CONDITIONS.** BUYER and SELLER shall have _____ days *(5 days if left blank)* after SELLER'S receipt of BUYER'S Inspection Notice/Offer to Renegotiate (the "Renegotiation Period"), to reach an agreement resolving the Unacceptable Conditions. Any of the following executed and delivered to the other party or other party's agent prior to the expiration of the Re-negotiation Period shall constitute such an agreement:
(1) An amendment signed by BUYER and SELLER resolving the Unacceptable Conditions; or
(2) A written statement signed by BUYER accepting the Property "as is" without correction of any Unacceptable Conditions; or
(3) A written statement signed by SELLER agreeing to do everything requested by BUYER in BUYER'S Offer to Renegotiate.

If no agreement resolving the Unacceptable Conditions is reached prior to the expiration of the Renegotiation Period, then either party may cancel this Contract by written notice to the other.

If BUYER does not conduct inspections BUYER shall have waived any right to cancel or renegotiate this Contract pursuant to the inspection provisions. If BUYER conducts inspections but fails to notify SELLER of Unacceptable Conditions prior to the expiration of the Inspection Period, BUYER shall have waived any right to cancel or renegotiate this Contract pursuant to these inspection provisions.

24. AGENCY DISCLOSURE. SELLER/LANDLORD AND BUYER/TENANT HEREBY ACKNOWLEDGE THAT THE REAL ESTATE BROKERAGE RELATIONSHIPS BROCHURE HAS BEEN FURNISHED TO THEM, AND THAT THE BROKERAGE RELATIONSHIPS WERE DISCLOSED TO THEM OR THEIR RESPECTIVE AGENTS AND/OR TRANSACTION BROKERS NO LATER THAN THE FIRST SHOWING, UPON FIRST CONTACT, OR IMMEDIATELY UPON THE OCCURRENCE OF ANY CHANGE TO THAT RELATIONSHIP.

SELLER/LANDLORD AND BUYER/TENANT CONFIRMATION OF BROKERAGE AGENCY RELATIONSHIPS:

A. Licensee assisting SELLER is functioning as:
☐ SELLER'S Agent
☐ Designated SELLER'S Agent **(Supervising Broker acts as a Transaction Broker)**
☒ Transaction Broker and SELLER agree, if applicable, to sign a Transaction Broker Agreement. SELLER is not being represented.
☐ BUYER'S Agent and SELLER is not being represented
☐ Designated BUYER'S Agent **(Supervising Broker acts as a Transaction Broker.)** SELLER is not being represented
☐ Subagent

B. Licensee assisting BUYER is functioning as:
☐ BUYER'S Agent
☐ Designated BUYER'S Agent **(Supervising Broker acts as a Transaction Broker)**
☒ Transaction Broker and BUYER agree, if applicable, to sign a Transaction Broker Agreement. Buyer is not being represented.
☐ SELLER'S Agent and Buyer is not being represented
☐ Designated SELLER'S Agent in BUYER Purchase of the Property **(Supervising Broker acts as a Transaction Broker.)** BUYER is not being represented.
☐ Subagent

25. SOURCE OF COMPENSATION. Brokerage fees, to include but not limited to broker commissions and other fees shall be paid out of escrow at Closing by ☐ SELLER/LANDLORD and, or, ☐ BUYER/TENANT

unless otherwise described in the terms of the respective agency agreements or other SELLER/BUYER agreements. **SELLER/LANDLORD and BUYER/TENANT understand and agree that Brokers may be compensated by more than one party in the transaction.**

26. ADDITIONAL TERMS AND CONDITIONS. _____

27. EXPIRATION. This offer shall expire on _____, at _____ o'clock __.m. (5:00 p.m. if left blank) unless accepted by SELLER or withdrawn by BUYER before that time.

IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING. TIME IS OF THE ESSENCE OF THIS CONTRACT.

All parties agree that this transaction can be conducted by electronic means according to the Uniform Electronic Transaction Act as adopted in Kansas.

SELLER Junction City Land Bank **DATE**	**BUYER** Roy Fausnett 10/18/18 **DATE**
SELLER **DATE**	**BUYER** Tony Fausnett 10-18-18 **DATE**
Coldwell Banker Mowry Custer, Realtors Name of Listing Brokerage	Coldwell Banker Mowry Custer, Realtors Name of Selling Brokerage
Lance Custer Name of Licensee Assisting Seller (Please Print)	Raygen Battishill Name of Licensee Assisting Buyer (Please Print)
_____ / _____ Listing Licensee Phone # Fax #	(913) 961-4832 / _____ Selling Licensee Phone # Fax #
Lance.custer@coldwellbanker.com Listing Licensee Email Address	Raygen.battishill@coldwellbanker.com Selling Licensee Email Address
BR0052930 Listing Agent License #	00240809 Selling Agent License #
BR0052930 Supervising Broker License #	BR0052930 Supervising Broker License #

The **Effective Date** shall be the date of final acceptance by the last party to sign this agreement.

FORM CERTIFICATION: *(To be completed by Licensee preparing this form.)*

The undersigned Licensee assisted in completing the blanks in the foregoing form and confirms, to the best of his/her knowledge, that the printed form contains the language approved by Legal Counsel for the Manhattan Association of REALTORS®, Inc. The undersigned Licensee further confirms that no additions or deletions to the approved language have been made, except such changes as may appear hereon made by hand or computer generation and signed and/or initialed by the party submitting this offer. Licensee's signature below is not an opinion as to the legal validity or meaning of any provisions contained in this form, but merely confirms that, to the best of the Licensee's knowledge, no changes have been made to the approved form.

(CHECK ONE)

☐ Licensee Assisting Seller	Raygen Battishill ☒ Licensee Assisting Buyer

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ADDENDUM 1

Addendum to contract dated October 18th, 2018 between:
Junction City Land Bank (Sellers) and
Roy Fausnett, Tony Fausnett (Buyers) on property located
at R1678, R1679, Junction City, KS 67431

Lot 1, Block 13 & Lot 1, Block 14, Olivia Farms Subdivision, Junction City, Geary County, KS

SELLER Junction City Land Bank DATE BUYER Roy Fausnett DATE Oct 18/18

SELLER DATE BUYER Tony Fausnett DATE 10-18-18

ADDENDUM 2

Addendum to contract dated October 18th, 2018 between:
Junction City Land Bank (Sellers) and
Roy Fausnett, Tony Fausnett (Buyers) on property located
at R1678, R1679, Junction City, KS 67431

County Reference numbers for subject properties are R1678- Lot 1, Block 13, R1679- Lot1 Block 14, Olivia Farms Subdivision, Junction City, Geary County, KS

Buyers agree to pay the cost of the owner title policy and the settlement fees.

Buyers acknowledge that the Junction City Land Bank, Coldwell Banker Mowry Custer, Realtors and its licensees do not warrant the suitability of the lots and infrastructures. Buyers also acknowledge that the buyers have has the right to conduct any due diligence to determine the suitability of the lots for buyers' intended purpose.

Buyer acknowledges receipt of a copy of the Declaration of Covenants, conditions and restrictions.

SELLER Junction City Land Bank	DATE	BUYER Roy Fausnett	10/18/18 DATE
SELLER	DATE	BUYER Tony Fausnett	10-18-18 DATE

SPECIAL WARRANTY DEED

THIS INDENTURE is made this __ day of November, 2018, by and between the Junction City Land Bank, an independent agency and instrumentality of the City of Junction City, Kansas, as Grantor, and Roy Fausnett & Tony Fausnett, as Grantee.

WITNESSETH, that Grantor, in consideration of the sum of Ten Thousand and no/100 Dollars ($10,000.00), the receipt of which is hereby acknowledged, does by these presents SELL AND CONVEY unto Grantee, and to its successors and assigns, with special warranty covenant, all of Grantor's interest in the following-described lot, tract, or parcel of land, lying, being and situate in the County of Geary and State of Kansas, to-wit:

Lot 1, Block 13, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas

Lot 1, Block 14, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas

TO HAVE AND TO HOLD THE SAME, together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining, forever. And Grantor, for Grantor's heirs, executors or administrators, do hereby covenant, promise and agree to and with Grantee that, at the delivery of these presents, said interest in said premises is free, clear, discharged and unencumbered of and from all former and other grants, titles, charges, estates, judgments, taxes, assessments and encumbrances of whatsoever nature and kind, except as set forth above, by, through, or under Grantor, and that Grantor will warrant and forever defend said interest unto Grantee and Grantee's successors and assigns against Grantor, and Grantor's successors and assigns, and all and every person or persons whomsoever, lawfully claiming or to claim the same by, through or under Grantor.

IN WITNESS WHEREOF, Grantor has executed this document the day and year first above written.

GRANTOR

JUNCTION CITY LAND BANK

By: _____
Pat Landes,
Chairman, Land Bank Board of Trustees

ATTEST:

_____
Tammy Melton
Secretary, Land Bank Board of Trustees

STATE OF KANSAS)
) ss.
COUNTY OF GEARY)

On this ____ day of _____, 2018, before me, a Notary Public in and for said state, personally appeared Pat Landes, who stated that he is the Chairman of the Junction City Land Bank Board of Trustees, known to me to be the person who executed the within instrument on behalf of said Junction City Land Bank and acknowledged to me that he executed the same for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

_____
Notary Public in and for said
County and State

My Commission Expires:

_____

RESOLUTION NO. 10-2018

A RESOLUTION APPROVING CONTRACT OF PURCHASE, DIRECTING NOTICE OF SALE AND AUTHORIZING THE CHAIRMAN OF THE BOARD OF TRUSTEES OF THE JUNCTION CITY LAND BANK TO EXECUTE A SPECIAL WARRANTY DEED CONVEYING PROPERTY TO ROY FAUSNETT & TONY FAUSNETT.

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE JUNCTION CITY LAND BANK, THAT:

1. The Contract of Purchase between the Junction City Land Bank and Roy Fausnett & Tony Fausnett in the form presented to the Board on this date is hereby approved.

2. The Secretary of the Land Bank is directed to publish a notice of sale in the form presented to the Board on this date.

3. Chairman of the Board of Trustees of the Junction City Land Bank is hereby authorized to sign, and the Secretary attest and deliver the Special Warranty Deed conveying Lot 1, Block 13, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas and Lot 1, Block 14, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas to Roy Fausnett & Tony Fausnett.

4. The Chairman and other officials of the Junction City Land Bank are authorized and directed to execute and deliver such other documents and agreements as such officials deem necessary or appropriate to carry out the foregoing resolutions.

PASSED AND ADOPTED BY THE BOARD OF THE JUNCTION CITY LAND BANK THIS 6TH DAY OF NOVEMBER, 2018.

_____
Pat Landes, Chairman

ATTEST:

_____
Tammy Melton, Secretary

CITY OF JUNCTION CITY LAND BANK

NOTICE OF SALE

Notice is hereby given that the Board of Trustees of the Junction City Land Bank have conditionally accepted an offer to purchase the following lots:

Lot 1, Block 13, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas
Lot 1, Block 14, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas

with the sale of such lots to be on a date which is not sooner than 30 days after the date of publication of this notice.

/s/ Tammy Melton
Land Bank Secretary
November 6, 2018

Backup material for agenda item:

e. Consider the offer from Roy Fausnett to purchase Lot 1, Block 9; Lot 1, Block 8; Lot 1, Block 15; and Lot 1, Block 16 of the Olivia Farms Subdivision in the amount of $20,000.00.

City of Junction City

Land Bank

Agenda Memo

11-06-2018

From: Allen J. Dinkel, City Manager

To: Land Bank Board

Subject: **Land Bank Offer**

Objective: Consider offer to purchase four Land Bank lots.

Explanation of Issue: Roy Fausnett is offering to purchase Lot 1, Block 9; Lot 1, Block 8; Lot 1, Block 15; Lot 1, Block 16 of Olivia Farms Subdivision for $20,000.00. We are checking into the electric utility issue on these lots so that may affect this.

Options: **1.** Accept the offer
2. Reject the Offer

Staff Recommendation:

Attachments: Sale Contract.

FLINT HILLS ASSOCIATION OF REALTORS®

RESIDENTIAL REAL ESTATE SALE CONTRACT

THIS CONTRACT is made between:

SELLER: Junction City Land Bank (State marital status)

BUYER: Roy Fausnett

BUYER TAKING TITLE AS: ☐ JTWROS **OR** ☐ Tenants in Common

1. **PROPERTY.** BUYER agrees to purchase and SELLER agrees to sell the real property and the improvements **(the "Property")** commonly known as:

R1627, R1626, R1680, R1681	Junction City	KS	66441	
Street Address	**City**	**State**	**Zip**	**County**

LEGAL DESCRIPTION: (As described in the Legal Description Addendum or as described below) See Addendum 1

(Subject to easements and restrictions of record)

☐ Improvements include a manufactured/mobile home. (A manufactured/mobile home may be considered personal property unless certain requirements have been met.)

2. **PURCHASE PRICE.** The **Purchase Price** for the **Property** is $ 20,000.00 which BUYER agrees to pay as follows:

a. Earnest Money in the form of: ***(check one)***
☒ Personal check **OR** ☐ Other _____ in the amount of $ 4,000.00
Deposited with:
☐ _____ Listing Broker
☒ Heartland Title Escrow/Closing Agent
☐ If no earnest money deposit or if earnest money deposit is paid directly to SELLER or Listing Broker, escrow/closing agent shall be _____

b. Total Amount financed by BUYER $ _____

c. Balance of Purchase Price to be paid on or before closing date $ 16,000.00

3. **CLOSING AND POSSESSION.** By December 17, 2018 ("Closing Date") SELLER shall execute and deliver into escrow with the escrow/closing agent a general warranty deed or special warranty deed, if applicable, and all other documents and funds necessary to satisfy SELLER'S obligations under this Contract. By the closing date, BUYER shall execute and deliver to the escrow/closing agent all documents (including any documents required by BUYER'S lender) and funds (including loan proceeds) necessary to satisfy BUYER'S obligations under this Contract. **SELLER AND BUYER ACKNOWLEDGE THAT ALL FUNDS REQUIRED FOR CLOSING MUST BE IN THE FORM OF CASHIER'S CHECK, WIRE TRANSFER OR OTHER CERTIFIED FUNDS.** When all documents and funds have been executed and delivered to the escrow/closing agent, the closing shall be completed. SELLER shall deliver possession of the Property to BUYER on _____ at _____, __ . M., (If left blank, the Closing Date at 5:00 P.M.) **BUYER shall not occupy the Property or place personal property in or on it prior to completion of the Closing.**

4. **ADDENDA/CONTINGENCIES.** The following Addenda (riders, supplements, etc.) are attached and are a part of this Contract ***(Check Applicable)***:

☐ **Contingency for Sale and/or Closing Addendum**
☐ **Seller's Disclosure Statement of Condition Addendum**
☐ **Lead-Based Paint Addendum**
☒ **Other:** Addendum 2
☐ **Other:** _____
☐ **Other:** _____
☐ **Other:** _____
☐ **Other:** _____

Banker Mowry Custer Realtors®, 522 N. Eisenhower Dr. Junction City KS 66441
785-762-4663 Fax: 785-762-2292 Raygen Battishill

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Roy Lots4

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5. INCLUSIONS AND EXCLUSIONS

This Contract, and no other attachment or writing, provides for what is included in this sale. The purchase price includes all of the improvements (if any) and appurtenances, fixtures and equipment permanently affixed to the premises, including the following, if any:

Attic and ceiling fans	Garage door openers *(and remote transmitting units)*	Other Mirrors *(if attached)*
Bathroom mirrors (*attached & unattached)*	Gas heaters	Outside cooking units *(if attached)*
Central air conditioning	Gas logs and fireplace grates	Owned propane tanks
Central vacuum & attachments	Heating and plumbing equipment *(and fixtures)*	Shelving *(if attached)*
Fences *(incl. invisible & controls)*	Humidifiers *(if attached)*	Soft water conditioner *(if owned)*
Fire, smoke and burglary detection units *(if owned)*	Keys to all doors	Storm windows, doors & screens
Fireplace screens and/or glass doors *(if attached)*	Kitchen appliances *(built-in)*	TV antennas and satellite dishes *(if attached)*
Floor coverings *(if attached)*	Lighting and light fixtures	Sprinkler systems & controls
		Window blinds curtains, drapes, rods and components

Exclusions. The following items are not included in the sale and are not considered part of the Property:

_____

6. CASH SALE.

☒ **Check if Cash Sale.** BUYER shall provide written verification of sufficient funds available to close within _____ days (5 days if left blank) of the effective date of the contract. Buyer may, within _____ days of the effective date of the contract, at BUYER'S expense, obtain an appraisal of the Property by an independent licensed appraiser.

7. FINANCING TERMS. NEW MORTGAGE:

This contract is contingent upon Buyer being approved for a mortgage loan on the subject property from _____ at an interest rate of not more than _____ % per annum, for a term of up to _____ years. If Buyer is disapproved for said loan then this contract shall be null and void and the earnest money shall be returned to Buyer, subject to the provisions of this contract. Approval/disapproval of financing shall be in writing from Buyer's lender, and Buyer shall make application for said financing within five (5) days of Effective Date of this contract, immediately pay all application fees required by the lender and promptly submit any documentation or information requested or required by the lender.

Not less than 3 business days prior to the day of closing, Buyer shall provide to Seller written proof of final mortgage loan approval satisfactory to Seller. If Buyer does not provide said proof by said date, then Seller shall have the right to declare this contract null and void by giving Buyer written notice of Seller's intent to cancel the contract. Buyer shall have three (3) business days, from receipt of said notice to complete the closing by delivering to the escrow agent funds and any other items necessary to complete closing. If the three (3) day period extends beyond the closing date, then the closing date shall be automatically extended to the end of the three (3) day period. If Seller provides written notice of Seller's intent to cancel and Buyer is unable to close within the three (3) day period, then this contract shall be null and void and the earnest money deposit shall be returned to Buyer, subject to the terms of this contract.

☐ **CONVENTIONAL LOAN:** Type of conventional loan: _____ (fixed or adjustable)

☐ **VA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or incur any penalty by forfeiture of earnest money or otherwise, if the Contract purchase price or cost exceeds the reasonable value of the property established by the Department of Veterans Affairs. However, Buyer may proceed with the purchase without regard to the amount of the reasonable value as established by the Department of Veterans Affairs. Seller shall, in addition to any other sums provided for herein, pay all costs associated with obtaining Buyer's loan which the Department of Veterans Affairs will not permit Buyer to pay, provided said costs do not exceed $ _____ ($0 if left blank), subject to the terms set forth above.

☐ **FHA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or to incur any penalty by forfeiture of earnest money or otherwise, unless the Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Department of

Veterans Affairs, or a Direct Endorsement lender setting forth the appraised value of the property of not less than $ _____ (purchase price). The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. **HUD does not warrant the value or the condition of the property. Buyer should satisfy him/herself that the price and condition of the property are acceptable.** Seller shall, in addition to any other sums provided for herein, pay all costs associated with obtaining Buyer's loan which the FHA will not permit Buyer to pay, provided said costs do not exceed $ _____ ($0 if left blank), subject to the terms set forth above.

FHA CERTIFICATION: The borrower, seller, and the selling real estate agent or broker involved in the sales transaction must certify that the terms and conditions of the sales contract are true to the best of their knowledge and belief and that any other agreement entered into by any of the parties in connection with the real estate transaction is part of, or attached to, the sales agreement.

_____ _____

Listing Licensee Date Selling Licensee Date

☐ **OTHER:** _____(Identify)

TOTAL ADDITIONAL SELLER EXPENSES: (Each line $0 if left blank)

a. **Additional SELLER paid costs:** In addition to any other costs SELLER agreed to pay herein, SELLER agrees to pay other allowable closing costs permitted by lender(s) and/or prepaid items for BUYER, not to exceed: $ _____

b. **Costs Not Payable by BUYER** (Identify)_____ $ _____

c. **Lender(s) approved down payment assistance costs** $ _____

d. **Other** _____ $ _____

TOTAL ADDITIONAL SELLER EXPENSES NOT TO EXCEED $ _____

8. APPRAISED VALUE CONTINGENCY. If the final appraised value of the Property, as determined by BUYER'S appraiser, is not equal to or greater than the Purchase Price, BUYER may cancel this Contract by written notice to SELLER, which notice shall be accompanied by a copy of the appraisal. If within five (5) days after receipt of BUYER'S notice of intent to cancel SELLER does not agree in writing to reduce the purchase price to an amount equal to the final appraised value of the Property, as determined by BUYER'S appraiser; or BUYER and SELLER fail to agree in writing on an acceptable sale price, this Contract shall be canceled and BUYER'S earnest money and any additional deposits shall be returned to BUYER subject to the provisions of Paragraph 12 of this Contract.

9. ☐ LIMITED HOME WARRANTY PLAN. *(Check if applicable)*:

☐ SELLER or ☐ BUYER, at a cost not to exceed $ _____ , agrees to purchase a home warranty plan from _____ (vendor) with a per claim deductible of $ _____ . The ***(Check one)*** ☐ Licensee assisting SELLER or ☐ Licensee assisting BUYER will make arrangements for the home warranty plan, submitting required documentation for such to the escrow agent prior to Closing. Broker may receive a fee from the warranty company. **Home warranty plans may not cover pre-existing conditions and are not a substitute for inspections.**

10. UTILITIES and MAINTENANCE. Until possession or Closing, whichever occurs earlier, SELLER shall: leave all utilities on and maintain the Property in its present condition, remove all possessions, trash and debris, clean the property, perform ordinary and necessary maintenance, upkeep and repair to the property. If applicable, BUYER agrees to reimburse SELLER at closing for any propane gas remaining in tank based on the price per gallon paid by SELLER.

11. CASUALTY INSURANCE AND LOSS. Seller shall bear all risk of loss or damage to the property to date of closing. Seller agrees to carry fire and extended coverage insurance on the improvements in an amount adequate to protect all parties to date of closing of this sale. In the event of loss or damage to the improvements prior to closing, Seller agrees to notify Buyer in writing of such damage. The proceeds of

any fire or other insurance coverage pertaining to the same shall be used to restore said improvements to the condition they were in prior to such loss; but if such proceeds are inadequate to pay the cost of such restoration, then this contract may, at the option of Buyer or Seller, be terminated, whereupon the escrow agent shall, upon demand, return the earnest money, if any, and all papers deposited by Buyer to Buyer and all papers delivered by Seller to Seller, whereupon all parties shall be released from further liability hereunder. However, notwithstanding the provisions herein, should any loss exceed 10 percent of the purchase price, then Buyer or Seller may elect to terminate this contract. Seller hereby warrants that Seller has not received payment for any insured loss in regards to the subject property for which repairs have not been completed in accordance with the insurance adjuster's estimate of repairs. **It is recommended that homeowners' insurance availability be ascertained during the Inspection Period.**

12. EARNEST MONIES AND ADDITIONAL DEPOSITS. Any Earnest Money or Additional Deposits shall be deposited within five (5) business days of the Effective Date, in an escrow account maintained by Listing Broker or Escrow Agent. BUYER and SELLER agree that the Listing Broker or Escrow Agent may retain any interest earned on escrowed funds. If this Contract is terminated by the express provisions of this Contract or by either party pursuant to a right expressly given in this Contract, the Earnest Money and Additional Deposits shall be returned to BUYER, and neither party shall have any further rights or obligations under this Contract, except as otherwise stated. **Provided, notwithstanding any other terms of this Contract providing for the forfeiture or refund of Earnest Money and Additional Deposits, the parties understand that neither the Listing Broker nor the Escrow Agent can distribute the Earnest Money and Additional Deposits without the written consent of all parties.** If BUYER and SELLER can't agree upon the disposition of the Earnest Money and Additional Deposits or any other funds, Listing Broker or Escrow Agent may commence an inter-pleader action. BUYER and SELLER agree that Listing Broker or Escrow Agent shall be entitled to reimbursement of its costs incurred in connection with the inter-pleader proceeding including, without limitation, reasonable attorneys' fees and expenses. In the absence of a dispute or written consent to distribution, the failure by either to respond in writing to a certified letter from Listing Broker or Escrow Agent within 7 days of receipt or failure to make written demand for return or forfeiture of the Earnest Money and Additional Deposits within thirty (30) days of notice of cancellation of this Contract shall constitute consent to distribution of the Earnest Money and Additional Deposits as suggested in such certified letter. All parties acknowledge that any earnest deposit funds that remain in the Broker's or escrow agent's escrow account for over 5 years may be sent to the State of Kansas.

13. SURVEY. BUYER may, at BUYER'S expense, obtain a survey of the property before the closing date to assure that there are no defects, encroachments, overlaps, boundary line or acreage disputes, or other matters, that would be disclosed by a survey. **BUYER acknowledges that a Mortgagee Inspection Report or "Loan Survey" is not considered a survey.** Prior to the closing date, BUYER shall notify SELLER of any encroachments of any improvements upon, from, or onto the property or any building setback line, property line, or easement, which encroachment shall be deemed to be a title defect. If SELLER does not remedy the defects in title, BUYER shall have the option of (a) completing this purchase and accepting the title SELLER is able to convey without adjustment in the purchase price, or (b) canceling this Contract.

14. EVIDENCE OF TITLE. Prior to the Closing Date, SELLER, at SELLER'S expense, agrees to deliver to BUYER a title insurance commitment from a company authorized to insure titles in Kansas. The title commitment shall commit to insure a marketable fee simple title to the BUYER. However, title to the Property shall be subject to the conditions in this Contract and to customary covenants, declarations, restrictions, zoning laws, easements, party wall agreements, special assessments, and community contracts of record as of the effective date of the title commitment (the "Permitted Exceptions"). If BUYER notifies SELLER in writing of any objections to title, SELLER shall then make a good faith effort to remedy the defects in title. If SELLER does not remedy the title defects before the closing date, BUYER may elect to waive the objections, extend the closing date a reasonable time for SELLER to remedy the defects or cancel this contract. **UNLESS OTHERWISE PROVIDED IN THIS CONTRACT, THE OWNER'S TITLE POLICY WILL INCLUDE MECHANIC'S LIEN COVERAGE. SELLER agrees to pay SELLER'S escrow settlement fee. BUYER agrees to pay BUYER'S mortgage/cash settlement fee.**

15. TAXES, PRORATIONS & SPECIAL ASSESSMENTS. All general/state/county/school and municipal real estate taxes, homes association dues and fees, special assessments, and any other contractual

obligations of SELLER to be assumed by BUYER for years prior to the current calendar year shall be paid by SELLER. Any of the preceding items which become due and accrue during the calendar year in which SELLER'S warranty deed is delivered (including rents, if applicable) shall be prorated between the parties as of the closing date and, for all years thereafter, to the extent permitted by applicable law, shall be assumed and paid by BUYER. BUYER acknowledges that the property may be subject to a special assessment, fee, or located in an improvement district. BUYER acknowledges that this disclosure is required by Kansas law, and may be found in the Seller's Disclosure or a separate document, if applicable. BUYER acknowledges that, if applicable, SELLER has disclosed to BUYER that the subject property is located in an improvement district created pursuant to Kansas law and is or may be subject to a special assessment or fee pursuant to Kansas law. Furthermore, SELLER has disclosed to BUYER the amount of any applicable special assessment or fee or, if the amount of such special assessment or fee is unknown to SELLER, has given BUYER a good-faith estimate of such special assessment or fee. **(Check One)**

☐ THE SELLER DISCLOSES the estimated annual special assessment tax is _____.
☒ THE SELLER DISCLOSES the actual annual special assessment tax is 0.

If the actual amount of any item, other than taxes for the current year, cannot be ascertained from the public record, the amount of the item for the preceding year will be used for the current year's amount. If the actual amount of taxes for the current calendar year cannot be determined, it will be estimated by using the current year's assessed value, if available from the county taxing authority, and last year's mill levy. If assessed value is not available, the Contract purchase price will be used with last year's mill levy. Buyer and Seller agree to accept such prorations as final and release each other, Broker(s), Agent(s), and Closing Agent(s) from any liability for any increase or decrease in actual taxes due.

16. THIRD PARTY INTEREST. SELLER and BUYER acknowledge that Broker may have a financial interest in third parties providing specialized services required by this Contract including, but not limited to, lender, title insurance company, escrow agent, Closing Agent, warranty company, wood infestation/mechanical/structural or other inspectors and repair personnel. **SELLER and BUYER agree that Broker shall not be responsible for the conduct of third parties providing specialized services whether those services were arranged by SELLER, BUYER, or Broker.**

17. NOTICES. Any notice or other communication required may be delivered in person, by facsimile, United States Postal Service, courier service or email to the address set forth in this Contract or such other address or number as shall be furnished in writing by any such party. Such notice or communication shall be deemed to have been given as of the date and time so delivered. Delivery to or receipt by a party's licensee shall constitute delivery to the party.

18. ENTIRE AGREEMENT AND MANNER OF MODIFICATIONS. This Contract and all attachments, amendments and addenda constitute the complete agreement of the parties, supersede all previous agreements, and may be modified or assigned only by written agreement.

19. DEFAULTS AND REMEDIES. SELLER or BUYER is in default if either fails to comply with any material covenant, agreement or obligation within any time limits required. Following a default by either SELLER or BUYER, the other party shall have the following remedies, subject to the provisions of Paragraph 12:

a. If SELLER defaults, BUYER may (i) specifically enforce this Contract and recover damages suffered by BUYER as a result of the delay in the acquisition of the Property; or (ii) terminate this Contract by written notice to SELLER and, at BUYER'S option, pursue any remedy and damages available by law or in equity. If BUYER elects to terminate this Contract, the Earnest Money shall be returned to BUYER subject to the provisions of Paragraph 12.

b. If BUYER defaults, SELLER may (i) specifically enforce this Contract and recover damages suffered by SELLER as a result of the delay in the sale of the Property; or (ii) terminate this Contract by written notice to BUYER and, at SELLER'S option, either retain the Earnest Money as liquidated damages as SELLER'S sole remedy and not as a penalty or pursue any other remedy and damages available at law or in equity.

If as a result of a default under this Contract, either SELLER or BUYER employs an attorney, the defaulting party shall, unless prohibited by law, reimburse the non-defaulting party for all reasonable attorney's fees, court costs and other legal expenses incurred by the non-defaulting party in connection with the default.

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Roy Lots4

20. SEXUAL PREDATOR NOTICE. Kansas law requires persons who are convicted of certain crimes, including certain sexually violent crimes, to register with the sheriff of the county in which they reside. If you, as the BUYER, desire information regarding those registrants, you may find information on the homepage of the Kansas Bureau of Investigation (KBI) at http://www.kansas.gov/kbi or by contacting the local sheriff's office.

21. RADON. Every buyer of residential real property is notified that the property may present exposure to dangerous concentrations of indoor radon gas that may place occupants at risk of developing radon-induced lung cancer. Radon, a class-A human carcinogen, is the leading cause of lung cancer in non-smokers and the second leading cause overall. Kansas law requires sellers to disclose any information known to the seller that shows elevated concentrations of radon gas in residential real property. The Kansas department of health and environment recommends all home-buyers have an indoor radon test performed prior to purchasing or taking occupancy of residential real property. All testing for radon should be conducted by a radon measurement technician. Elevated radon concentrations can be easily reduced by a radon mitigation technician. For additional information go to www.kansasradonprogram.org.

22. DISCLAIMER. BUYER acknowledges property is being sold without warranties and guarantees of any kind by SELLER or any broker or agent concerning the condition or value of the property. There are no representations or warranties concerning the condition or value of the property made by SELLER or Broker on which BUYER is relying except as may be fully set forth in writing and signed by them.

23. INSPECTIONS. BUYER may, within _____ calendar days (10 days if left blank) **(the "Inspection Period")** after the Effective Date of this Contract, at BUYER'S expense, have property inspections **which may include any aspect of the property including microbials, other environmental pollutants and Radon.**

a. ACCESS TO PROPERTY, RE-INSPECTIONS, DAMAGES AND REPAIRS. SELLER shall provide BUYER reasonable access to the Property to conduct the inspections, re-inspections, inspection of any corrective measures completed by SELLER and/or final walk through prior to Closing. **BUYER shall be responsible and pay for any damage to the Property resulting from the inspection(s).**

b. WOOD-DESTROYING INSECTS. SELLER AGREES TO PAY TO HAVE THE PROPERTY TREATED for control of infestation by wood-destroying insects if a written inspection report of a licensed pest control firm reveals evidence of active infestation or evidence of past untreated infestation in the main dwelling unit or included additional structures identified below or on the property within 30 feet of such unit or structure(s) (or as otherwise required by government regulations, if BUYER is obtaining an FHA/VA or other government program loan). **The inspection report must be delivered WITHIN THE INSPECTION PERIOD, or any treatment shall be at BUYER'S expense.** If treatment is required, SELLER shall provide Buyer with a certificate evidencing treatment by a licensed pest control firm of SELLER'S choice, which certificate BUYER agrees to accept. Treatment shall be completed no earlier than ninety (90) calendar days prior to the Closing Date. BUYER shall pay for any inspections requested by BUYER and/or required by BUYER'S lender. **Any damage or repair issues related to wood destroying insect infestations must be identified as Unacceptable Conditions. Additional structures to be included in the inspection are:** _____

c. UNACCEPTABLE CONDITIONS DEFINED. An Unacceptable Condition is any condition identified in a written inspection report prepared by an independent qualified inspector of BUYER'S choice, which condition is unacceptable to BUYER and not otherwise excluded in this Contract. Any items marked "Excluded" on Seller's Disclosure cannot be used by BUYER as a reason to cancel or renegotiate this contract. In addition, the following items shall not be considered: _____

_____

d. NOTICE OF UNACCEPTABLE CONDITIONS. If BUYER'S inspections reveal Unacceptable Conditions BUYER may do any one of the following by notifying SELLER;

(1) ACCEPT THE PROPERTY "AS IS". BUYER may notify SELLER that the inspections are satisfactory or do nothing. In either case, BUYER will have waived any right to cancel or renegotiate due to any Unacceptable Conditions; or

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(2) **CANCEL THIS CONTRACT** by notifying SELLER in writing within the inspection period; or
(3) **OFFER TO RENEGOTIATE** with SELLER by notifying SELLER in writing within the inspection period, identifying the Unacceptable Conditions.

BUYER'S notice, as provided above, terminates the inspection period and must be accompanied by the applicable written inspection report(s) from the independent qualified inspector(s).

e. **RESOLUTION OF UNACCEPTABLE CONDITIONS.** BUYER and SELLER shall have _____ days *(5 days if left blank)* after SELLER'S receipt of BUYER'S Inspection Notice/Offer to Renegotiate (the "Renegotiation Period"), to reach an agreement resolving the Unacceptable Conditions. Any of the following executed and delivered to the other party or other party's agent prior to the expiration of the Re-negotiation Period shall constitute such an agreement:
(1) An amendment signed by BUYER and SELLER resolving the Unacceptable Conditions; or
(2) A written statement signed by BUYER accepting the Property "as is" without correction of any Unacceptable Conditions; or
(3) A written statement signed by SELLER agreeing to do everything requested by BUYER in BUYER'S Offer to Renegotiate.

If no agreement resolving the Unacceptable Conditions is reached prior to the expiration of the Renegotiation Period, then either party may cancel this Contract by written notice to the other.

If BUYER does not conduct inspections BUYER shall have waived any right to cancel or renegotiate this Contract pursuant to the inspection provisions. If BUYER conducts inspections but fails to notify SELLER of Unacceptable Conditions prior to the expiration of the Inspection Period, BUYER shall have waived any right to cancel or renegotiate this Contract pursuant to these inspection provisions.

24. AGENCY DISCLOSURE. SELLER/LANDLORD AND BUYER/TENANT HEREBY ACKNOWLEDGE THAT THE REAL ESTATE BROKERAGE RELATIONSHIPS BROCHURE HAS BEEN FURNISHED TO THEM, AND THAT THE BROKERAGE RELATIONSHIPS WERE DISCLOSED TO THEM OR THEIR RESPECTIVE AGENTS AND/OR TRANSACTION BROKERS NO LATER THAN THE FIRST SHOWING, UPON FIRST CONTACT, OR IMMEDIATELY UPON THE OCCURRENCE OF ANY CHANGE TO THAT RELATIONSHIP.

SELLER/LANDLORD AND BUYER/TENANT CONFIRMATION OF BROKERAGE AGENCY RELATIONSHIPS:

A. Licensee assisting SELLER is functioning as:
☐ SELLER'S Agent
☐ Designated SELLER'S Agent **(Supervising Broker acts as a Transaction Broker)**
☒ Transaction Broker and SELLER agree, if applicable, to sign a Transaction Broker Agreement. SELLER is not being represented.
☐ BUYER'S Agent and SELLER is not being represented
☐ Designated BUYER'S Agent **(Supervising Broker acts as a Transaction Broker.)** SELLER is not being represented
☐ Subagent

B. Licensee assisting BUYER is functioning as:
☐ BUYER'S Agent
☐ Designated BUYER'S Agent **(Supervising Broker acts as a Transaction Broker)**
☒ Transaction Broker and BUYER agree, if applicable, to sign a Transaction Broker Agreement. Buyer is not being represented.
☐ SELLER'S Agent and Buyer is not being represented
☐ Designated SELLER'S Agent in BUYER Purchase of the Property **(Supervising Broker acts as a Transaction Broker.)** BUYER is not being represented.
☐ Subagent

25. SOURCE OF COMPENSATION. Brokerage fees, to include but not limited to broker commissions and other fees shall be paid out of escrow at Closing by ☒ SELLER/LANDLORD and, or, ☐ BUYER/TENANT

unless otherwise described in the terms of the respective agency agreements or other SELLER/BUYER agreements. **SELLER/LANDLORD and BUYER/TENANT understand and agree that Brokers may be compensated by more than one party in the transaction.**

26. ADDITIONAL TERMS AND CONDITIONS. _____

_____

_____

27. EXPIRATION. This offer shall expire on _____, at _____ o'clock __ .m. (5:00 p.m. if left blank) unless accepted by SELLER or withdrawn by BUYER before that time.

IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING. TIME IS OF THE ESSENCE OF THIS CONTRACT.

All parties agree that this transaction can be conducted by electronic means according to the Uniform Electronic Transaction Act as adopted in Kansas.

SELLER Junction City Land Bank **DATE**	**BUYER** Roy Fausnett Roy Fausnett oct 18/18 **DATE**
SELLER **DATE**	**BUYER** **DATE**
Coldwell Banker Mowry Custer, Realtors Name of Listing Brokerage	Coldwell Banker Mowry Custer, Realtors Name of Selling Brokerage
Lance Custer Name of Licensee Assisting Seller (Please Print)	Raygen Battishill Name of Licensee Assisting Buyer (Please Print)
_____ / _____ Listing Licensee Phone # Fax #	(913) 961-4832 / _____ Selling Licensee Phone # Fax #
Lance.custer@coldwellbanker.com Listing Licensee Email Address	Raygen.battishill@coldwellbanker.com Selling Licensee Email Address
BR0052930 Listing Agent License #	00240809 Selling Agent License #
BR0052930 Supervising Broker License #	BR0052930 Supervising Broker License #

The **Effective Date** shall be the date of final acceptance by the last party to sign this agreement.

FORM CERTIFICATION: *(To be completed by Licensee preparing this form.)*

The undersigned Licensee assisted in completing the blanks in the foregoing form and confirms, to the best of his/her knowledge, that the printed form contains the language approved by Legal Counsel for the Manhattan Association of REALTORS®, Inc. The undersigned Licensee further confirms that no additions or deletions to the approved language have been made, except such changes as may appear hereon made by hand or computer generation and signed and/or initialed by the party submitting this offer. Licensee's signature below is not an opinion as to the legal validity or meaning of any provisions contained in this form, but merely confirms that, to the best of the Licensee's knowledge, no changes have been made to the approved form.

(CHECK ONE)

	Raygen Battishill
☐ Licensee Assisting Seller	☒ Licensee Assisting Buyer

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Roy Lots4

ADDENDUM 1

Addendum to contract dated October 18th, 2018 between:
Junction City Land Bank (Sellers) and
Roy Fausnett (Buyers) on property located
at R1627, R1626, R1680, R1681, Junction City, KS 66441

Lot 1, Block 9, Lot 1 Block 8, Lot 1, Block 15, Lot 1, Block 16, Olivia Farms Subdivision, Junction City, Geary County, KS

SELLER Junction City Land Bank DATE

BUYER Roy Fausnett 10/18/18 DATE

SELLER DATE

BUYER DATE

ADDENDUM 2

Addendum to contract dated _____ between:

Junction City Land Bank (Sellers) and

Roy Fausnett (Buyers) on property located

at R1627, R1626, R1680, R1681, Junction City, KS 66441

County Reference numbers for subject properties are R1627-Lot 1, Block 9, R1626- Lot 1 Block 8, R1680- Lot 1, Block 15, R1681- Lot 1, Block 16, Olivia Farms Subdivision, Junction City, Geary County, KS Olivia Farms Subdivision, Junction City, Geary County, KS

Buyers agree to pay the cost of the owner title policy and the settlement fees.

Buyers acknowledge that the Junction City Land Bank, Coldwell Banker Mowry Custer, Realtors and its licensees do not warrant the suitability of the lots and infrastructures. Buyers also acknowledge that the buyers have has the right to conduct any due diligence to determine the suitability of the lots for buyers' intended purpose.

Buyer acknowledges receipt of a copy of the Declaration of Covenants, conditions and restrictions.

SELLER Junction City Land Bank	DATE	BUYER Roy Fausnett	Oct 18/18 DATE
SELLER	DATE	BUYER	DATE

COLDWELL BANKER
MOWRY CUSTER, REALTORS®

APPROXIMATE SELLER'S PROCEEDS

Seller's Name(s): Junction City Land Bank

Property Address: R1627, R1626, R1680, R1681 **Date:** 10/18/2018

A. SELLING PRICE				$ 20,000.00
B. ENCUMBRANCES				
1. First Mortgage				
2. Second Mortgage				
C. ESTIMATED SELLING COST				
1. Policy of Title Insurance				
2. Estimated Escrow/Settlement Agency Fees				
3. Termite Inspection and Report (Possible Corrective and/or Preventative Work Not Included)				
4. Proration of Interest on Existing Loan (Interest is Always One Month in Arrears. Allow One Month's Interest Maximum)				
5. Brokerage Fee	#####	20.00%	$ 4,000.00	
6. Tax Proration	(Flat Fee of $1000 per lot)			
7. Buyer's Cost				
8. Home Warranty				
9. Septic Inspection & Plumbing (Estimated Cost: Uncover/Pump/Inspect $650; Risers $150)				
10. Well Inspection (Estimated Cost: $100-$200)				
11. Attorney Fees				
12. Miscellaneous:				
13. Miscellaneous:				
14. Miscellaneous:				

D. APPROXIMATE TOTAL COSTS AND ENCUMBRANCES	**$ 4,000.00**
E. APPROXIMATE SELLER'S PROCEEDS	**$ 16,000.00**

(Sales Price Less Total Costs)

** The approximate seller's proceeds calculated above will vary according to any differences in unpaid loan balances, escrow account (if any) and any expenses for required corrective and/or preventative work

POSSIBLE ADDITIONAL CREDITS OR DEBITS

- Proration of Property Tax
- Proration or Cancellation of Fi
- Return Balance in Escrow Account
- Encumbrances Not Disclosed By Seller

I am fully aware that this estimate has been prepared to assist me in computing my costs. Whenever possible, the broker has used the maximum charges that can be expected. The above fees and charges are estimates only; actual amounts are not guaranteed by Coldwell Banker and/or any of it's agents or affiliates.

I have read the above figures and acknowledge reciept of a copy of this form.

Seller Date

Raygen Battishill
Broker/Sales Associate

Date

COLDWELL BANKER MOWRY CUSTER, REALTORS
Company

785-762-4663
Telephone

SPECIAL WARRANTY DEED

THIS INDENTURE is made this __ day of November, 2018, by and between the Junction City Land Bank, an independent agency and instrumentality of the City of Junction City, Kansas, as Grantor, and Roy Fausnett, as Grantee.

WITNESSETH, that Grantor, in consideration of the sum of Twenty Thousand and no/100 Dollars ($20,000.00), the receipt of which is hereby acknowledged, does by these presents SELL AND CONVEY unto Grantee, and to its successors and assigns, with special warranty covenant, all of Grantor's interest in the following-described lot, tract, or parcel of land, lying, being and situate in the County of Geary and State of Kansas, to-wit:

Lot 1, Block 9, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas

Lot 1, Block 8, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas

Lot 1, Block 15, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas

Lot 1, Block 16, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas

TO HAVE AND TO HOLD THE SAME, together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining, forever. And Grantor, for Grantor's heirs, executors or administrators, do hereby covenant, promise and agree to and with Grantee that, at the delivery of these presents, said interest in said premises is free, clear, discharged and unencumbered of and from all former and other grants, titles, charges, estates, judgments, taxes, assessments and encumbrances of whatsoever nature and kind, except as set forth above, by, through, or under Grantor, and that Grantor will warrant and forever defend said interest unto Grantee and Grantee's successors and assigns against Grantor, and Grantor's successors and assigns, and all and every person or persons whomsoever, lawfully claiming or to claim the same by, through or under Grantor.

IN WITNESS WHEREOF, Grantor has executed this document the day and year first above written.

GRANTOR

JUNCTION CITY LAND BANK

By: _____
Pat Landes,
Chairman, Land Bank Board of Trustees

ATTEST:

_____
Tammy Melton
Secretary, Land Bank Board of Trustees

STATE OF KANSAS)
) ss.
COUNTY OF GEARY)

On this ____ day of _____, 2018, before me, a Notary Public in and for said state, personally appeared Pat Landes, who stated that he is the Chairman of the Junction City Land Bank Board of Trustees, known to me to be the person who executed the within instrument on behalf of said Junction City Land Bank and acknowledged to me that he executed the same for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

_____
Notary Public in and for said
County and State

My Commission Expires:

_____

RESOLUTION NO. 11-2018

A RESOLUTION APPROVING CONTRACT OF PURCHASE, DIRECTING NOTICE OF SALE AND AUTHORIZING THE CHAIRMAN OF THE BOARD OF TRUSTEES OF THE JUNCTION CITY LAND BANK TO EXECUTE A SPECIAL WARRANTY DEED CONVEYING PROPERTY TO ROY FAUSNETT.

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE JUNCTION CITY LAND BANK, THAT:

1. The Contract of Purchase between the Junction City Land Bank and Roy Fausnett in the form presented to the Board on this date is hereby approved.

2. The Secretary of the Land Bank is directed to publish a notice of sale in the form presented to the Board on this date.

3. Chairman of the Board of Trustees of the Junction City Land Bank is hereby authorized to sign, and the Secretary attest and deliver the Special Warranty Deed conveying Lot 1, Block 9, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas, Lot 1, Block 8, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas, Lot 1, Block 15, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas, and Lot 1, Block 16, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas to Roy Fausnett.

4. The Chairman and other officials of the Junction City Land Bank are authorized and directed to execute and deliver such other documents and agreements as such officials deem necessary or appropriate to carry out the foregoing resolutions.

PASSED AND ADOPTED BY THE BOARD OF THE JUNCTION CITY LAND BANK THIS 6TH DAY OF NOVEMBER, 2018.

_____

Pat Landes, Chairman

ATTEST:

_____

Tammy Melton, Secretary

CITY OF JUNCTION CITY LAND BANK

NOTICE OF SALE

Notice is hereby given that the Board of Trustees of the Junction City Land Bank have conditionally accepted an offer to purchase the following lots:

Lot 1, Block 9, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas
Lot 1, Block 8, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas
Lot 1, Block 15, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas
Lot 1, Block 16, Olivia Farms Subdivision to the City of Junction City, Geary County, Kansas

with the sale of such lots to be on a date which is not sooner than 30 days after the date of publication of this notice.

/s/ Tammy Melton
Land Bank Secretary
November 6, 2018

Backup material for agenda item:

f. Consider the offer from Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust to purchase Lot 1, Block 4 of Sutter Woods Subdivision in the amount of $2,500.00.

City of Junction City

Land Bank

Agenda Memo

11-06-2018

From: Allen J. Dinkel, City Manager

To: Land Bank Board

Subject: **Land Bank Offer**

Objective: Consider offer to purchase one Land Bank lot.

Explanation of Issue: Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust are offering to purchase Lot 1, Block 4 of Sutter Woods Subdivision for $2,500.00. The purchaser is offering less than the $5,000 since they feel the lot is less buildable.

Options: **1.** Accept the offer
2. Reject the Offer

Staff Recommendation:

Attachments: Sale Contract.

FLINT HILLS ASSOCIATION OF REALTORS®

RESIDENTIAL REAL ESTATE SALE CONTRACT

THIS CONTRACT is made between:

SELLER: Junction City Land Bank (State marital status)

BUYER: See Addendum 1

BUYER TAKING TITLE AS: [X] JTWROS **OR** [ ] Tenants in Common

1. PROPERTY. BUYER agrees to purchase and SELLER agrees to sell the real property and the improvements **(the "Property")** commonly known as:

R9642	Junction City	KS	66441	Geary
Street Address	**City**	**State**	**Zip**	**County**

LEGAL DESCRIPTION: (As described in the Legal Description Addendum or as described below)
Lot 1, Block 4, Sutter Woods Subdivision, Junction City, Geary County,KS
(Subject to easements and restrictions of record)

[ ] Improvements include a manufactured/mobile home. (A manufactured/mobile home may be considered personal property unless certain requirements have been met.)

2. PURCHASE PRICE. The **Purchase Price** for the **Property** is $ 2,500.00
which BUYER agrees to pay as follows:

a. Earnest Money in the form of: ***(check one)***
[X] Personal check **OR** [ ] Other _____
in the amount of $ 500.00
Deposited with:
[ ] _____ Listing Broker
[X] Junction City Abstract and Title Escrow/Closing Agent
[ ] If no earnest money deposit or if earnest money deposit is paid directly to SELLER or Listing Broker, escrow/closing agent shall be _____

b. Total Amount financed by BUYER $ _____

c. Balance of Purchase Price to be paid on or before closing date $ 2,000.00

3. CLOSING AND POSSESSION. By December 12, 2018 ("Closing Date") SELLER shall execute and deliver into escrow with the escrow/closing agent a general warranty deed or special warranty deed, if applicable, and all other documents and funds necessary to satisfy SELLER'S obligations under this Contract. By the closing date, BUYER shall execute and deliver to the escrow/closing agent all documents (including any documents required by BUYER'S lender) and funds (including loan proceeds) necessary to satisfy BUYER'S obligations under this Contract. **SELLER AND BUYER ACKNOWLEDGE THAT ALL FUNDS REQUIRED FOR CLOSING MUST BE IN THE FORM OF CASHIER'S CHECK, WIRE TRANSFER OR OTHER CERTIFIED FUNDS.** When all documents and funds have been executed and delivered to the escrow/closing agent, the closing shall be completed. SELLER shall deliver possession of the Property to BUYER on _____ at _____, __ . M., (If left blank, the Closing Date at 5:00 P.M.) **BUYER shall not occupy the Property or place personal property in or on it prior to completion of the Closing.**

4. ADDENDA/CONTINGENCIES. The following Addenda (riders, supplements, etc.) are attached and are a part of this Contract ***(Check Applicable)*:**

[ ] **Contingency for Sale and/or Closing Addendum**	[ ] **Other:** _____
[ ] **Seller's Disclosure Statement of Condition Addendum**	[ ] **Other:** _____
[ ] **Lead-Based Paint Addendum**	[ ] **Other:** _____
[X] **Other:** Addendum 2	[ ] **Other:** _____

C Banker Mowry Custer Realtors®, 522 N. Eisenhower Dr. Junction City KS 66441
P 67 5-762-4663 Fax: 785-762-2292 Raygen Battishill

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5. INCLUSIONS AND EXCLUSIONS

This Contract, and no other attachment or writing, provides for what is included in this sale. The purchase price includes all of the improvements (if any) and appurtenances, fixtures and equipment permanently affixed to the premises, including the following, if any:

Attic and ceiling fans	Garage door openers *(and remote transmitting units)*	Other Mirrors *(if attached)*
Bathroom mirrors (*attached & unattached)*	Gas heaters	Outside cooking units *(if attached)*
Central air conditioning	Gas logs and fireplace grates	Owned propane tanks
Central vacuum & attachments	Heating and plumbing equipment *(and fixtures)*	Shelving *(if attached)*
Fences *(incl. invisible & controls)*	Humidifiers *(if attached)*	Soft water conditioner *(if owned)*
Fire, smoke and burglary detection units *(if owned)*	Keys to all doors	Storm windows, doors & screens
Fireplace screens and/or glass doors *(if attached)*	Kitchen appliances *(built-in)*	TV antennas and satellite dishes *(if attached)*
Floor coverings *(if attached)*	Lighting and light fixtures	Sprinkler systems & controls
		Window blinds curtains, drapes, rods and components

Exclusions. The following items are not included in the sale and are not considered part of the Property:

_____

6. CASH SALE.

☒ **Check if Cash Sale.** BUYER shall provide written verification of sufficient funds available to close within _____ days (5 days if left blank) of the effective date of the contract. Buyer may, within _____ days of the effective date of the contract, at BUYER'S expense, obtain an appraisal of the Property by an independent licensed appraiser.

7. FINANCING TERMS. NEW MORTGAGE:

This contract is contingent upon Buyer being approved for a mortgage loan on the subject property from _____ at an interest rate of not more than _____ % per annum, for a term of up to _____ years. If Buyer is disapproved for said loan then this contract shall be null and void and the earnest money shall be returned to Buyer, subject to the provisions of this contract. Approval/disapproval of financing shall be in writing from Buyer's lender, and Buyer shall make application for said financing within five (5) days of Effective Date of this contract, immediately pay all application fees required by the lender and promptly submit any documentation or information requested or required by the lender.

Not less than 3 business days prior to the day of closing, Buyer shall provide to Seller written proof of final mortgage loan approval satisfactory to Seller. If Buyer does not provide said proof by said date, then Seller shall have the right to declare this contract null and void by giving Buyer written notice of Seller's intent to cancel the contract. Buyer shall have three (3) business days, from receipt of said notice to complete the closing by delivering to the escrow agent funds and any other items necessary to complete closing. If the three (3) day period extends beyond the closing date, then the closing date shall be automatically extended to the end of the three (3) day period. If Seller provides written notice of Seller's intent to cancel and Buyer is unable to close within the three (3) day period, then this contract shall be null and void and the earnest money deposit shall be returned to Buyer, subject to the terms of this contract.

☐ **CONVENTIONAL LOAN:** Type of conventional loan: _____ (fixed or adjustable)

☐ **VA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or incur any penalty by forfeiture of earnest money or otherwise, if the Contract purchase price or cost exceeds the reasonable value of the property established by the Department of Veterans Affairs. However, Buyer may proceed with the purchase without regard to the amount of the reasonable value as established by the Department of Veterans Affairs. Seller shall, in addition to any other sums provided for herein, pay all costs associated with obtaining Buyer's loan which the Department of Veterans Affairs will not permit Buyer to pay, provided said costs do not exceed $ _____ ($0 if left blank), subject to the terms set forth above.

☐ **FHA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or to incur any penalty by forfeiture of earnest money or otherwise, unless the Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Department of

Veterans Affairs, or a Direct Endorsement lender setting forth the appraised value of the property of not less than $ _____ (purchase price). The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. **HUD does not warrant the value or the condition of the property. Buyer should satisfy him/herself that the price and condition of the property are acceptable.** Seller shall, in addition to any other sums provided for herein, pay all costs associated with obtaining Buyer's loan which the FHA will not permit Buyer to pay, provided said costs do not exceed $ _____ ($0 if left blank), subject to the terms set forth above.

FHA CERTIFICATION: The borrower, seller, and the selling real estate agent or broker involved in the sales transaction must certify that the terms and conditions of the sales contract are true to the best of their knowledge and belief and that any other agreement entered into by any of the parties in connection with the real estate transaction is part of, or attached to, the sales agreement.

_____ _____

Listing Licensee Date Selling Licensee Date

☐ **OTHER:** _____ (Identify)

TOTAL ADDITIONAL SELLER EXPENSES: (Each line $0 if left blank)

a. **Additional SELLER paid costs:** In addition to any other costs SELLER agreed to pay herein, SELLER agrees to pay other allowable closing costs permitted by lender(s) and/or prepaid items for BUYER, not to exceed: $ _____

b. **Costs Not Payable by BUYER** (Identify) _____ $ _____

c. **Lender(s) approved down payment assistance costs** $ _____

d. **Other** _____ $ _____

TOTAL ADDITIONAL SELLER EXPENSES NOT TO EXCEED $ _____

8. APPRAISED VALUE CONTINGENCY. If the final appraised value of the Property, as determined by BUYER'S appraiser, is not equal to or greater than the Purchase Price, BUYER may cancel this Contract by written notice to SELLER, which notice shall be accompanied by a copy of the appraisal. If within five (5) days after receipt of BUYER'S notice of intent to cancel SELLER does not agree in writing to reduce the purchase price to an amount equal to the final appraised value of the Property, as determined by BUYER'S appraiser; or BUYER and SELLER fail to agree in writing on an acceptable sale price, this Contract shall be canceled and BUYER'S earnest money and any additional deposits shall be returned to BUYER subject to the provisions of Paragraph 12 of this Contract.

9. ☐ LIMITED HOME WARRANTY PLAN. *(Check if applicable)*:

☐ SELLER or ☐ BUYER, at a cost not to exceed $ _____, agrees to purchase a home warranty plan from _____ (vendor) with a per claim deductible of $ _____. The ***(Check one)*** ☐ Licensee assisting SELLER or ☐ Licensee assisting BUYER will make arrangements for the home warranty plan, submitting required documentation for such to the escrow agent prior to Closing. Broker may receive a fee from the warranty company. **Home warranty plans may not cover pre-existing conditions and are not a substitute for inspections.**

10. UTILITIES and MAINTENANCE. Until possession or Closing, whichever occurs earlier, SELLER shall: leave all utilities on and maintain the Property in its present condition, remove all possessions, trash and debris, clean the property, perform ordinary and necessary maintenance, upkeep and repair to the property. If applicable, BUYER agrees to reimburse SELLER at closing for any propane gas remaining in tank based on the price per gallon paid by SELLER.

11. CASUALTY INSURANCE AND LOSS. Seller shall bear all risk of loss or damage to the property to date of closing. Seller agrees to carry fire and extended coverage insurance on the improvements in an amount adequate to protect all parties to date of closing of this sale. In the event of loss or damage to the improvements prior to closing, Seller agrees to notify Buyer in writing of such damage. The proceeds of

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any fire or other insurance coverage pertaining to the same shall be used to restore said improvements to the condition they were in prior to such loss; but if such proceeds are inadequate to pay the cost of such restoration, then this contract may, at the option of Buyer or Seller, be terminated, whereupon the escrow agent shall, upon demand, return the earnest money, if any, and all papers deposited by Buyer to Buyer and all papers delivered by Seller to Seller, whereupon all parties shall be released from further liability hereunder. However, notwithstanding the provisions herein, should any loss exceed 10 percent of the purchase price, then Buyer or Seller may elect to terminate this contract. Seller hereby warrants that Seller has not received payment for any insured loss in regards to the subject property for which repairs have not been completed in accordance with the insurance adjuster's estimate of repairs. **It is recommended that homeowners' insurance availability be ascertained during the Inspection Period.**

12. EARNEST MONIES AND ADDITIONAL DEPOSITS. Any Earnest Money or Additional Deposits shall be deposited within five (5) business days of the Effective Date, in an escrow account maintained by Listing Broker or Escrow Agent. BUYER and SELLER agree that the Listing Broker or Escrow Agent may retain any interest earned on escrowed funds. If this Contract is terminated by the express provisions of this Contract or by either party pursuant to a right expressly given in this Contract, the Earnest Money and Additional Deposits shall be returned to BUYER, and neither party shall have any further rights or obligations under this Contract, except as otherwise stated. **Provided, notwithstanding any other terms of this Contract providing for the forfeiture or refund of Earnest Money and Additional Deposits, the parties understand that neither the Listing Broker nor the Escrow Agent can distribute the Earnest Money and Additional Deposits without the written consent of all parties.** If BUYER and SELLER can't agree upon the disposition of the Earnest Money and Additional Deposits or any other funds, Listing Broker or Escrow Agent may commence an inter-pleader action. BUYER and SELLER agree that Listing Broker or Escrow Agent shall be entitled to reimbursement of its costs incurred in connection with the inter-pleader proceeding including, without limitation, reasonable attorneys' fees and expenses. In the absence of a dispute or written consent to distribution, the failure by either to respond in writing to a certified letter from Listing Broker or Escrow Agent within 7 days of receipt or failure to make written demand for return or forfeiture of the Earnest Money and Additional Deposits within thirty (30) days of notice of cancellation of this Contract shall constitute consent to distribution of the Earnest Money and Additional Deposits as suggested in such certified letter. All parties acknowledge that any earnest deposit funds that remain in the Broker's or escrow agent's escrow account for over 5 years may be sent to the State of Kansas.

13. SURVEY. BUYER may, at BUYER'S expense, obtain a survey of the property before the closing date to assure that there are no defects, encroachments, overlaps, boundary line or acreage disputes, or other matters, that would be disclosed by a survey. **BUYER acknowledges that a Mortgagee Inspection Report or "Loan Survey" is not considered a survey.** Prior to the closing date, BUYER shall notify SELLER of any encroachments of any improvements upon, from, or onto the property or any building setback line, property line, or easement, which encroachment shall be deemed to be a title defect. If SELLER does not remedy the defects in title, BUYER shall have the option of (a) completing this purchase and accepting the title SELLER is able to convey without adjustment in the purchase price, or (b) canceling this Contract.

14. EVIDENCE OF TITLE. Prior to the Closing Date, SELLER, at SELLER'S expense, agrees to deliver to BUYER a title insurance commitment from a company authorized to insure titles in Kansas. The title commitment shall commit to insure a marketable fee simple title to the BUYER. However, title to the Property shall be subject to the conditions in this Contract and to customary covenants, declarations, restrictions, zoning laws, easements, party wall agreements, special assessments, and community contracts of record as of the effective date of the title commitment (the "Permitted Exceptions"). If BUYER notifies SELLER in writing of any objections to title, SELLER shall then make a good faith effort to remedy the defects in title. If SELLER does not remedy the title defects before the closing date, BUYER may elect to waive the objections, extend the closing date a reasonable time for SELLER to remedy the defects or cancel this contract. **UNLESS OTHERWISE PROVIDED IN THIS CONTRACT, THE OWNER'S TITLE POLICY WILL INCLUDE MECHANIC'S LIEN COVERAGE. SELLER agrees to pay SELLER'S escrow settlement fee. BUYER agrees to pay BUYER'S mortgage/cash settlement fee.**

15. TAXES, PRORATIONS & SPECIAL ASSESSMENTS. All general/state/county/school and municipal real estate taxes, homes association dues and fees, special assessments, and any other contractual

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obligations of SELLER to be assumed by BUYER for years prior to the current calendar year shall be paid by SELLER. Any of the preceding items which become due and accrue during the calendar year in which SELLER'S warranty deed is delivered (including rents, if applicable) shall be prorated between the parties as of the closing date and, for all years thereafter, to the extent permitted by applicable law, shall be assumed and paid by BUYER. BUYER acknowledges that the property may be subject to a special assessment, fee, or located in an improvement district. BUYER acknowledges that this disclosure is required by Kansas law, and may be found in the Seller's Disclosure or a separate document, if applicable. BUYER acknowledges that, if applicable, SELLER has disclosed to BUYER that the subject property is located in an improvement district created pursuant to Kansas law and is or may be subject to a special assessment or fee pursuant to Kansas law. Furthermore, SELLER has disclosed to BUYER the amount of any applicable special assessment or fee or, if the amount of such special assessment or fee is unknown to SELLER, has given BUYER a good-faith estimate of such special assessment or fee. **(Check One)**

☐ THE SELLER DISCLOSES the estimated annual special assessment tax is _____.
☒ THE SELLER DISCLOSES the actual annual special assessment tax is 0.

If the actual amount of any item, other than taxes for the current year, cannot be ascertained from the public record, the amount of the item for the preceding year will be used for the current year's amount. If the actual amount of taxes for the current calendar year cannot be determined, it will be estimated by using the current year's assessed value, if available from the county taxing authority, and last year's mill levy. If assessed value is not available, the Contract purchase price will be used with last year's mill levy. Buyer and Seller agree to accept such prorations as final and release each other, Broker(s), Agent(s), and Closing Agent(s) from any liability for any increase or decrease in actual taxes due.

16. THIRD PARTY INTEREST. SELLER and BUYER acknowledge that Broker may have a financial interest in third parties providing specialized services required by this Contract including, but not limited to, lender, title insurance company, escrow agent, Closing Agent, warranty company, wood infestation/mechanical/structural or other inspectors and repair personnel. **SELLER and BUYER agree that Broker shall not be responsible for the conduct of third parties providing specialized services whether those services were arranged by SELLER, BUYER, or Broker.**

17. NOTICES. Any notice or other communication required may be delivered in person, by facsimile, United States Postal Service, courier service or email to the address set forth in this Contract or such other address or number as shall be furnished in writing by any such party. Such notice or communication shall be deemed to have been given as of the date and time so delivered. Delivery to or receipt by a party's licensee shall constitute delivery to the party.

18. ENTIRE AGREEMENT AND MANNER OF MODIFICATIONS. This Contract and all attachments, amendments and addenda constitute the complete agreement of the parties, supersede all previous agreements, and may be modified or assigned only by written agreement.

19. DEFAULTS AND REMEDIES. SELLER or BUYER is in default if either fails to comply with any material covenant, agreement or obligation within any time limits required. Following a default by either SELLER or BUYER, the other party shall have the following remedies, subject to the provisions of Paragraph 12:

a. If SELLER defaults, BUYER may (i) specifically enforce this Contract and recover damages suffered by BUYER as a result of the delay in the acquisition of the Property; or (ii) terminate this Contract by written notice to SELLER and, at BUYER'S option, pursue any remedy and damages available by law or in equity. If BUYER elects to terminate this Contract, the Earnest Money shall be returned to BUYER subject to the provisions of Paragraph 12.

b. If BUYER defaults, SELLER may (i) specifically enforce this Contract and recover damages suffered by SELLER as a result of the delay in the sale of the Property; or (ii) terminate this Contract by written notice to BUYER and, at SELLER'S option, either retain the Earnest Money as liquidated damages as SELLER'S sole remedy and not as a penalty or pursue any other remedy and damages available at law or in equity.

If as a result of a default under this Contract, either SELLER or BUYER employs an attorney, the defaulting party shall, unless prohibited by law, reimburse the non-defaulting party for all reasonable attorney's fees, court costs and other legal expenses incurred by the non-defaulting party in connection with the default.

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20. SEXUAL PREDATOR NOTICE. Kansas law requires persons who are convicted of certain crimes, including certain sexually violent crimes, to register with the sheriff of the county in which they reside. If you, as the BUYER, desire information regarding those registrants, you may find information on the homepage of the Kansas Bureau of Investigation (KBI) at http://www.kansas.gov/kbi or by contacting the local sheriff's office.

21. RADON. Every buyer of residential real property is notified that the property may present exposure to dangerous concentrations of indoor radon gas that may place occupants at risk of developing radon-induced lung cancer. Radon, a class-A human carcinogen, is the leading cause of lung cancer in non-smokers and the second leading cause overall. Kansas law requires sellers to disclose any information known to the seller that shows elevated concentrations of radon gas in residential real property. The Kansas department of health and environment recommends all home-buyers have an indoor radon test performed prior to purchasing or taking occupancy of residential real property. All testing for radon should be conducted by a radon measurement technician. Elevated radon concentrations can be easily reduced by a radon mitigation technician. For additional information go to www.kansasradonprogram.org.

22. DISCLAIMER. BUYER acknowledges property is being sold without warranties and guarantees of any kind by SELLER or any broker or agent concerning the condition or value of the property. There are no representations or warranties concerning the condition or value of the property made by SELLER or Broker on which BUYER is relying except as may be fully set forth in writing and signed by them.

23. INSPECTIONS. BUYER may, within _____ calendar days (10 days if left blank) **(the "Inspection Period")** after the Effective Date of this Contract, at BUYER'S expense, have property inspections **which may include any aspect of the property including microbials, other environmental pollutants and Radon.**

a. ACCESS TO PROPERTY, RE-INSPECTIONS, DAMAGES AND REPAIRS. SELLER shall provide BUYER reasonable access to the Property to conduct the inspections, re-inspections, inspection of any corrective measures completed by SELLER and/or final walk through prior to Closing. **BUYER shall be responsible and pay for any damage to the Property resulting from the inspection(s).**

b. WOOD-DESTROYING INSECTS. SELLER AGREES TO PAY TO HAVE THE PROPERTY TREATED for control of infestation by wood-destroying insects if a written inspection report of a licensed pest control firm reveals evidence of active infestation or evidence of past untreated infestation in the main dwelling unit or included additional structures identified below or on the property within 30 feet of such unit or structure(s) (or as otherwise required by government regulations, if BUYER is obtaining an FHA/VA or other government program loan). **The inspection report must be delivered WITHIN THE INSPECTION PERIOD, or any treatment shall be at BUYER'S expense.** If treatment is required, SELLER shall provide Buyer with a certificate evidencing treatment by a licensed pest control firm of SELLER'S choice, which certificate BUYER agrees to accept. Treatment shall be completed no earlier than ninety (90) calendar days prior to the Closing Date. BUYER shall pay for any inspections requested by BUYER and/or required by BUYER'S lender. **Any damage or repair issues related to wood destroying insect infestations must be identified as Unacceptable Conditions. Additional structures to be included in the inspection are:** _____

c. UNACCEPTABLE CONDITIONS DEFINED. An Unacceptable Condition is any condition identified in a written inspection report prepared by an independent qualified inspector of BUYER'S choice, which condition is unacceptable to BUYER and not otherwise excluded in this Contract. Any items marked "Excluded" on Seller's Disclosure cannot be used by BUYER as a reason to cancel or renegotiate this contract. In addition, the following items shall not be considered: _____

_____

d. NOTICE OF UNACCEPTABLE CONDITIONS. If BUYER'S inspections reveal Unacceptable Conditions BUYER may do any one of the following by notifying SELLER;

(1) ACCEPT THE PROPERTY "AS IS". BUYER may notify SELLER that the inspections are satisfactory or do nothing. In either case, BUYER will have waived any right to cancel or renegotiate due to any Unacceptable Conditions; or

(2) **CANCEL THIS CONTRACT** by notifying SELLER in writing within the inspection period; or
(3) **OFFER TO RENEGOTIATE** with SELLER by notifying SELLER in writing within the inspection period, identifying the Unacceptable Conditions.

BUYER'S notice, as provided above, terminates the inspection period and must be accompanied by the applicable written inspection report(s) from the independent qualified inspector(s).

e. **RESOLUTION OF UNACCEPTABLE CONDITIONS.** BUYER and SELLER shall have _____ days *(5 days if left blank)* after SELLER'S receipt of BUYER'S Inspection Notice/Offer to Renegotiate (the "Renegotiation Period"), to reach an agreement resolving the Unacceptable Conditions. Any of the following executed and delivered to the other party or other party's agent prior to the expiration of the Re-negotiation Period shall constitute such an agreement:
(1) An amendment signed by BUYER and SELLER resolving the Unacceptable Conditions; or
(2) A written statement signed by BUYER accepting the Property "as is" without correction of any Unacceptable Conditions; or
(3) A written statement signed by SELLER agreeing to do everything requested by BUYER in BUYER'S Offer to Renegotiate.

If no agreement resolving the Unacceptable Conditions is reached prior to the expiration of the Renegotiation Period, then either party may cancel this Contract by written notice to the other.

If BUYER does not conduct inspections BUYER shall have waived any right to cancel or renegotiate this Contract pursuant to the inspection provisions. If BUYER conducts inspections but fails to notify SELLER of Unacceptable Conditions prior to the expiration of the Inspection Period, BUYER shall have waived any right to cancel or renegotiate this Contract pursuant to these inspection provisions.

24. AGENCY DISCLOSURE. SELLER/LANDLORD AND BUYER/TENANT HEREBY ACKNOWLEDGE THAT THE REAL ESTATE BROKERAGE RELATIONSHIPS BROCHURE HAS BEEN FURNISHED TO THEM, AND THAT THE BROKERAGE RELATIONSHIPS WERE DISCLOSED TO THEM OR THEIR RESPECTIVE AGENTS AND/OR TRANSACTION BROKERS NO LATER THAN THE FIRST SHOWING, UPON FIRST CONTACT, OR IMMEDIATELY UPON THE OCCURRENCE OF ANY CHANGE TO THAT RELATIONSHIP.

SELLER/LANDLORD AND BUYER/TENANT CONFIRMATION OF BROKERAGE AGENCY RELATIONSHIPS:

A. Licensee assisting SELLER is functioning as:
☐ SELLER'S Agent
☐ Designated SELLER'S Agent **(Supervising Broker acts as a Transaction Broker)**
☒ Transaction Broker and SELLER agree, if applicable, to sign a Transaction Broker Agreement. SELLER is not being represented.
☐ BUYER'S Agent and SELLER is not being represented
☐ Designated BUYER'S Agent **(Supervising Broker acts as a Transaction Broker.)** SELLER is not being represented
☐ Subagent

B. Licensee assisting BUYER is functioning as:
☐ BUYER'S Agent
☐ Designated BUYER'S Agent **(Supervising Broker acts as a Transaction Broker)**
☒ Transaction Broker and BUYER agree, if applicable, to sign a Transaction Broker Agreement. Buyer is not being represented.
☐ SELLER'S Agent and Buyer is not being represented
☐ Designated SELLER'S Agent in BUYER Purchase of the Property **(Supervising Broker acts as a Transaction Broker.)** BUYER is not being represented.
☐ Subagent

25. SOURCE OF COMPENSATION. Brokerage fees, to include but not limited to broker commissions and other fees shall be paid out of escrow at Closing by ☒ SELLER/LANDLORD and, or, ☐ BUYER/TENANT

unless otherwise described in the terms of the respective agency agreements or other SELLER/BUYER agreements. **SELLER/LANDLORD and BUYER/TENANT understand and agree that Brokers may be compensated by more than one party in the transaction.**

26. ADDITIONAL TERMS AND CONDITIONS. _____

_____

_____

27. EXPIRATION. This offer shall expire on _____, at _____ o'clock __ .m. (5:00 p.m. if left blank) unless accepted by SELLER or withdrawn by BUYER before that time.

IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING. TIME IS OF THE ESSENCE OF THIS CONTRACT.

All parties agree that this transaction can be conducted by electronic means according to the Uniform Electronic Transaction Act as adopted in Kansas.

SELLER Junction City Land Bank **DATE**	**BUYER** See Addendum 1 **DATE** Walter N Sutter Trustee 10/29/18
SELLER **DATE**	**BUYER** **DATE** Karen K Sutter Trustee 10/29/18
Coldwell Banker Mowry Custer, Realtors	Coldwell Banker Mowry Custer, Realtors
Name of Listing Brokerage	Name of Selling Brokerage
Lance Custer	Lance Custer
Name of Licensee Assisting Seller (Please Print)	Name of Licensee Assisting Buyer (Please Print)
/	/
Listing Licensee Phone # Fax #	Selling Licensee Phone # Fax #
Lance.custer@coldwellbanker.com	Lance.custer@coldwellbanker.com
Listing Licensee Email Address	Selling Licensee Email Address
BR0052930	BR0052930
Listing Agent License #	Selling Agent License #
BR0052930	BR0052930
Supervising Broker License #	Supervising Broker License #

The **Effective Date** shall be the date of final acceptance by the last party to sign this agreement.

FORM CERTIFICATION: *(To be completed by Licensee preparing this form.)*

The undersigned Licensee assisted in completing the blanks in the foregoing form and confirms, to the best of his/her knowledge, that the printed form contains the language approved by Legal Counsel for the Manhattan Association of REALTORS®, Inc. The undersigned Licensee further confirms that no additions or deletions to the approved language have been made, except such changes as may appear hereon made by hand or computer generation and signed and/or initialed by the party submitting this offer. Licensee's signature below is not an opinion as to the legal validity or meaning of any provisions contained in this form, but merely confirms that, to the best of the Licensee's knowledge, no changes have been made to the approved form.

(CHECK ONE)

☐ Licensee Assisting Seller ☐ Licensee Assisting Buyer

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ADDENDUM 1

Addendum to contract dated October 29th, 2018 between:
Junction City Land Bank (Sellers) and
See Addendum 1 (Buyers) on property located
at R9642, Junction City, KS 66441

Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust dated July 14, 2010.

SELLER Junction City Land Bank DATE

SELLER DATE

BUYER See Addendum 1 Karen K. Sutter Trustee 10/29/18 DATE

BUYER Walter N. Sutter Trustee 10/29/18 DATE

ADDENDUM 2

Addendum to contract dated October 29th, 2018 between:
Junction City Land Bank (Sellers) and
See Addendum 1 (Buyers) on property located
at R9642, Junction City, KS 66441

County Reference numbers for subject property is R9642 on Sutter Wood Road.

Buyers agree to pay the cost of the owner title policy and the settlement fees.

Buyers acknowledge that the Junction City Land Bank, Coldwell Banker Mowry Custer, Realtors and its licensees do not warrant the suitability of the lots and infrastructures. Buyers also acknowledge that the buyers have has the right to conduct any due diligence to determine the suitability of the lots for buyers' intended purpose.

Buyer acknowledges receipt of a copy of the Declaration of Covenants, conditions and restrictions.

SELLER Junction City Land Bank DATE

SELLER DATE

BUYER See Addendum 1 Karen K. Sutter Trustee 10/29/18 DATE

BUYER Walter L. Sutter Trustee 10/29/18 DATE

COLDWELL BANKER
MOWRY CUSTER, REALTORS®

APPROXIMATE SELLER'S PROCEEDS

Seller's Name(s): Junction City Land Bank

Property Address: R9642 **Date:** 9/10/2018

A. SELLING PRICE				$ 2,500.00
B. ENCUMBRANCES				
1. First Mortgage				
2. Second Mortgage				
C. ESTIMATED SELLING COST				
1. Policy of Title Insurance				
2. Estimated Escrow/Settlement Agency Fees				
3. Termite Inspection and Report (Possible Corrective and/or Preventative Work Not Included)				
4. Proration of Interest on Existing Loan (Interest Is Always One Month in Arrears. Allow One Month's Interest Maximum)				
5. Brokerage Fee	#####	20.00%	$ 1,000.00	
6. Tax Proration	(Flat Fee of $1000 per lot)			
7. Buyer's Cost				
8. Home Warranty				
9. Septic Inspection & Plumbing (Estimated Cost: Uncover/Pump/Inspect $650; Risers $150)				
10. Well Inspection (Estimated Cost: $100-$200)				
11. Attorney Fees				
12. Miscellaneous:				
13. Miscellaneous:				
14. Miscellaneous:				
D. APPROXIMATE TOTAL COSTS AND ENCUMBRANCES				**$ 1,000.00**
E. APPROXIMATE SELLER'S PROCEEDS				**$ 1,500.00**

(Sales Price Less Total Costs)

** The approximate seller's proceeds calculated above will vary according to any differences in unpaid loan balances, escrow account (if any) and any expenses for required corrective and/or preventative work

POSSIBLE ADDITIONAL CREDITS OR DEBITS

- Proration of Property Tax
- Proration or Cancellation of Fi
- Return Balance in Escrow Account
- Encumbrances Not Disclosed By Seller

I am fully aware that this estimate has been prepared to assist me in computing my costs. Whenever possible, the broker has used the maximum charges that can be expected. The above fees and charges are estimates only; actual amounts are not guaranteed by Coldwell Banker and/or any of it's agents or affiliates.

I have read the above figures and acknowledge reciept of a copy of this form.

Seller Date

Lance Custer
Broker/Sales Associate

Date

COLDWELL BANKER MOWRY CUSTER, REALTORS
Company

785-762-4663
Telephone

Karen K. Sutter 10/29/18

Willis N Sutter 10/29/18

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SPECIAL WARRANTY DEED

THIS INDENTURE is made this __ day of November, 2018, by and between the Junction City Land Bank, an independent agency and instrumentality of the City of Junction City, Kansas, as Grantor, and Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust, as Grantee.

WITNESSETH, that Grantor, in consideration of the sum of Two Thousand Five Hundred and no/100 Dollars ($2,500.00), the receipt of which is hereby acknowledged, does by these presents SELL AND CONVEY unto Grantee, and to its successors and assigns, with special warranty covenant, all of Grantor's interest in the following-described lot, tract, or parcel of land, lying, being and situate in the County of Geary and State of Kansas, to-wit:

> Lot One (1), Block Four (4), Sutter Woods Subdivision, a Subdivision in the City of Junction City, Geary County, Kansas

TO HAVE AND TO HOLD THE SAME, together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining, forever. And Grantor, for Grantor's heirs, executors or administrators, do hereby covenant, promise and agree to and with Grantee that, at the delivery of these presents, said interest in said premises is free, clear, discharged and unencumbered of and from all former and other grants, titles, charges, estates, judgments, taxes, assessments and encumbrances of whatsoever nature and kind, except as set forth above, by, through, or under Grantor, and that Grantor will warrant and forever defend said interest unto Grantee and Grantee's successors and assigns against Grantor, and Grantor's successors and assigns, and all and every person or persons whomsoever, lawfully claiming or to claim the same by, through or under Grantor.

IN WITNESS WHEREOF, Grantor has executed this document the day and year first above written.

GRANTOR

JUNCTION CITY LAND BANK

By: _____
Pat Landes,
Chairman, Land Bank Board of Trustees

ATTEST:

_____
Tammy Melton
Secretary, Land Bank Board of Trustees

STATE OF KANSAS)
) ss.
COUNTY OF GEARY)

On this ____ day of _____, 2018, before me, a Notary Public in and for said state, personally appeared Pat Landes, who stated that he is the Chairman of the Junction City Land Bank Board of Trustees, known to me to be the person who executed the within instrument on behalf of said Junction City Land Bank and acknowledged to me that he executed the same for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

_____
Notary Public in and for said
County and State

My Commission Expires:

_____

RESOLUTION NO. 12-2018

A RESOLUTION APPROVING CONTRACT OF PURCHASE, DIRECTING NOTICE OF SALE AND AUTHORIZING THE CHAIRMAN OF THE BOARD OF TRUSTEES OF THE JUNCTION CITY LAND BANK TO EXECUTE A SPECIAL WARRANTY DEED CONVEYING PROPERTY TO WALTER N. SUTTER AND KAREN K. SUTTER, CO-TRUSTEES OF THE SUTTER LIVING TRUST.

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE JUNCTION CITY LAND BANK, THAT:

1. The Contract of Purchase between the Junction City Land Bank and Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust in the form presented to the Board on this date is hereby approved.

2. The Secretary of the Land Bank is directed to publish a notice of sale in the form presented to the Board on this date.

3. Chairman of the Board of Trustees of the Junction City Land Bank is hereby authorized to sign, and the Secretary attest and deliver the Special Warranty Deed conveying Lot One (1), Block Four (4), Sutter Woods Subdivision, a Subdivision in the City of Junction City, Geary County, Kansas to Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust.

4. The Chairman and other officials of the Junction City Land Bank are authorized and directed to execute and deliver such other documents and agreements as such officials deem necessary or appropriate to carry out the foregoing resolutions.

PASSED AND ADOPTED BY THE BOARD OF THE JUNCTION CITY LAND BANK THIS 6TH DAY OF NOVEMBER, 2018.

_____
Pat Landes, Chairman

ATTEST:

_____
Tammy Melton, Secretary

CITY OF JUNCTION CITY LAND BANK

NOTICE OF SALE

Notice is hereby given that the Board of Trustees of the Junction City Land Bank have conditionally accepted an offer to purchase the following lots:

Lot One (1), Block Four (4), Sutter Woods Subdivision, a Subdivision in the City of Junction City, Geary County, Kansas

with the sale of such lots to be on a date which is not sooner than 30 days after the date of publication of this notice.

/s/ Tammy Melton
Land Bank Secretary
November 6, 2018

Backup material for agenda item:

g. Consider the offer from Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust to purchase Lot 2, 3 & 4, Block 4 of Sutter Woods Subdivision in the amount of $15,000.00.

City of Junction City

Land Bank

Agenda Memo

11-06-2018

From: Allen J. Dinkel, City Manager

To: Land Bank Board

Subject: **Land Bank Offer**

Objective: Consider offer to purchase three Land Bank lots.

Explanation of Issue: Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust are offering to purchase Lot 2-4, Block 4 of Sutter Woods Subdivision for $15,000.00.

Options: **1.** Accept the offer
2. Reject the Offer

Staff Recommendation:

Attachments: Sale Contract.

FLINT HILLS ASSOCIATION OF REALTORS®

RESIDENTIAL REAL ESTATE SALE CONTRACT

THIS CONTRACT is made between:

SELLER: Junction City Land Bank (State marital status)

BUYER: See Addendum 1

BUYER TAKING TITLE AS: [X] JTWROS **OR** [ ] Tenants in Common

1. PROPERTY. BUYER agrees to purchase and SELLER agrees to sell the real property and the improvements **(the "Property")** commonly known as:

R9639, R9640, R9641,	Junction City	KS	66441	Geary
Street Address	**City**	**State**	**Zip**	**County**

LEGAL DESCRIPTION: (As described in the Legal Description Addendum or as described below)
See Legal Description Addendum
(Subject to easements and restrictions of record)

[ ] Improvements include a manufactured/mobile home. (A manufactured/mobile home may be considered personal property unless certain requirements have been met.)

2. PURCHASE PRICE. The **Purchase Price** for the **Property** is $ 15,000.00
which BUYER agrees to pay as follows:

a. Earnest Money in the form of: ***(check one)***
[X] Personal check **OR** [ ] Other _____
in the amount of $ 1,500.00
Deposited with:
[ ] _____ Listing Broker
[X] Junction City Abstract and Title Escrow/Closing Agent
[ ] If no earnest money deposit or if earnest money deposit is paid directly to SELLER or Listing Broker, escrow/closing agent shall be _____

b. Total Amount financed by BUYER $ _____

c. Balance of Purchase Price to be paid on or before closing date $ 13,500.00

3. CLOSING AND POSSESSION. By December 12, 2018 ("Closing Date") SELLER shall execute and deliver into escrow with the escrow/closing agent a general warranty deed or special warranty deed, if applicable, and all other documents and funds necessary to satisfy SELLER'S obligations under this Contract. By the closing date, BUYER shall execute and deliver to the escrow/closing agent all documents (including any documents required by BUYER'S lender) and funds (including loan proceeds) necessary to satisfy BUYER'S obligations under this Contract. **SELLER AND BUYER ACKNOWLEDGE THAT ALL FUNDS REQUIRED FOR CLOSING MUST BE IN THE FORM OF CASHIER'S CHECK, WIRE TRANSFER OR OTHER CERTIFIED FUNDS.** When all documents and funds have been executed and delivered to the escrow/closing agent, the closing shall be completed. SELLER shall deliver possession of the Property to BUYER on _____ at _____, __ . M., (If left blank, the Closing Date at 5:00 P.M.) **BUYER shall not occupy the Property or place personal property in or on it prior to completion of the Closing.**

4. ADDENDA/CONTINGENCIES. The following Addenda (riders, supplements, etc.) are attached and are a part of this Contract ***(Check Applicable)*:**

[ ] **Contingency for Sale and/or Closing Addendum**
[ ] **Seller's Disclosure Statement of Condition Addendum**
[ ] **Lead-Based Paint Addendum**
[X] **Other:** Addendum 2
[ ] **Other:** _____
[ ] **Other:** _____
[ ] **Other:** _____
[ ] **Other:** _____

Banker Mowry Custer Realtors®, 522 N. Eisenhower Dr. Junction City KS 66441
5-762-4663 Fax: 785-762-2292 Raygen Battishill
85
JCLB_Sutter
Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

5. INCLUSIONS AND EXCLUSIONS

This Contract, and no other attachment or writing, provides for what is included in this sale. The purchase price includes all of the improvements (if any) and appurtenances, fixtures and equipment permanently affixed to the premises, including the following, if any:

Attic and ceiling fans	Garage door openers *(and remote transmitting units)*	Other Mirrors *(if attached)*
Bathroom mirrors *(attached & unattached)*	Gas heaters	Outside cooking units *(if attached)*
Central air conditioning	Gas logs and fireplace grates	Owned propane tanks
Central vacuum & attachments	Heating and plumbing equipment *(and fixtures)*	Shelving *(if attached)*
Fences *(incl. invisible & controls)*	Humidifiers *(if attached)*	Soft water conditioner *(if owned)*
Fire, smoke and burglary detection units *(if owned)*	Keys to all doors	Storm windows, doors & screens
Fireplace screens and/or glass doors *(if attached)*	Kitchen appliances *(built-in)*	TV antennas and satellite dishes *(if attached)*
Floor coverings *(if attached)*	Lighting and light fixtures	Sprinkler systems & controls
		Window blinds curtains, drapes, rods and components

Exclusions. The following items are not included in the sale and are not considered part of the Property:

_____

6. CASH SALE.

☒ **Check if Cash Sale.** BUYER shall provide written verification of sufficient funds available to close within _____ days (5 days if left blank) of the effective date of the contract. Buyer may, within _____ days of the effective date of the contract, at BUYER'S expense, obtain an appraisal of the Property by an independent licensed appraiser.

7. FINANCING TERMS. NEW MORTGAGE:

This contract is contingent upon Buyer being approved for a mortgage loan on the subject property from _____ at an interest rate of not more than _____ % per annum, for a term of up to _____ years. If Buyer is disapproved for said loan then this contract shall be null and void and the earnest money shall be returned to Buyer, subject to the provisions of this contract. Approval/disapproval of financing shall be in writing from Buyer's lender, and Buyer shall make application for said financing within five (5) days of Effective Date of this contract, immediately pay all application fees required by the lender and promptly submit any documentation or information requested or required by the lender.

Not less than 3 business days prior to the day of closing, Buyer shall provide to Seller written proof of final mortgage loan approval satisfactory to Seller. If Buyer does not provide said proof by said date, then Seller shall have the right to declare this contract null and void by giving Buyer written notice of Seller's intent to cancel the contract. Buyer shall have three (3) business days, from receipt of said notice to complete the closing by delivering to the escrow agent funds and any other items necessary to complete closing. If the three (3) day period extends beyond the closing date, then the closing date shall be automatically extended to the end of the three (3) day period. If Seller provides written notice of Seller's intent to cancel and Buyer is unable to close within the three (3) day period, then this contract shall be null and void and the earnest money deposit shall be returned to Buyer, subject to the terms of this contract.

☐ **CONVENTIONAL LOAN:** Type of conventional loan: _____ (fixed or adjustable)

☐ **VA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or incur any penalty by forfeiture of earnest money or otherwise, if the Contract purchase price or cost exceeds the reasonable value of the property established by the Department of Veterans Affairs. However, Buyer may proceed with the purchase without regard to the amount of the reasonable value as established by the Department of Veterans Affairs. Seller shall, in addition to any other sums provided for herein, pay all costs associated with obtaining Buyer's loan which the Department of Veterans Affairs will not permit Buyer to pay, provided said costs do not exceed $ _____ ($0 if left blank), subject to the terms set forth above.

☐ **FHA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or to incur any penalty by forfeiture of earnest money or otherwise, unless the Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Department of

Veterans Affairs, or a Direct Endorsement lender setting forth the appraised value of the property of not less than $ _____ (purchase price). The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. **HUD does not warrant the value or the condition of the property. Buyer should satisfy him/herself that the price and condition of the property are acceptable.** Seller shall, in addition to any other sums provided for herein, pay all costs associated with obtaining Buyer's loan which the FHA will not permit Buyer to pay, provided said costs do not exceed $ _____ ($0 if left blank), subject to the terms set forth above.

FHA CERTIFICATION: The borrower, seller, and the selling real estate agent or broker involved in the sales transaction must certify that the terms and conditions of the sales contract are true to the best of their knowledge and belief and that any other agreement entered into by any of the parties in connection with the real estate transaction is part of, or attached to, the sales agreement.

_____ _____

Listing Licensee Date Selling Licensee Date

☐ **OTHER:** _____ (Identify)

TOTAL ADDITIONAL SELLER EXPENSES: (Each line $0 if left blank)

a. **Additional SELLER paid costs:** In addition to any other costs SELLER agreed to pay herein, SELLER agrees to pay other allowable closing costs permitted by lender(s) and/or prepaid items for BUYER, not to exceed: $ _____

b. **Costs Not Payable by BUYER** (Identify) _____ $ _____

c. **Lender(s) approved down payment assistance costs** $ _____

d. **Other** _____ $ _____

TOTAL ADDITIONAL SELLER EXPENSES NOT TO EXCEED $ _____

8. APPRAISED VALUE CONTINGENCY. If the final appraised value of the Property, as determined by BUYER'S appraiser, is not equal to or greater than the Purchase Price, BUYER may cancel this Contract by written notice to SELLER, which notice shall be accompanied by a copy of the appraisal. If within five (5) days after receipt of BUYER'S notice of intent to cancel SELLER does not agree in writing to reduce the purchase price to an amount equal to the final appraised value of the Property, as determined by BUYER'S appraiser; or BUYER and SELLER fail to agree in writing on an acceptable sale price, this Contract shall be canceled and BUYER'S earnest money and any additional deposits shall be returned to BUYER subject to the provisions of Paragraph 12 of this Contract.

9. ☐ LIMITED HOME WARRANTY PLAN. *(Check if applicable)*:

☐ SELLER or ☐ BUYER, at a cost not to exceed $ _____, agrees to purchase a home warranty plan from _____ (vendor) with a per claim deductible of $ _____. The ***(Check one)*** ☐ Licensee assisting SELLER or ☐ Licensee assisting BUYER will make arrangements for the home warranty plan, submitting required documentation for such to the escrow agent prior to Closing. Broker may receive a fee from the warranty company. **Home warranty plans may not cover pre-existing conditions and are not a substitute for inspections.**

10. UTILITIES and MAINTENANCE. Until possession or Closing, whichever occurs earlier, SELLER shall: leave all utilities on and maintain the Property in its present condition, remove all possessions, trash and debris, clean the property, perform ordinary and necessary maintenance, upkeep and repair to the property. If applicable, BUYER agrees to reimburse SELLER at closing for any propane gas remaining in tank based on the price per gallon paid by SELLER.

11. CASUALTY INSURANCE AND LOSS. Seller shall bear all risk of loss or damage to the property to date of closing. Seller agrees to carry fire and extended coverage insurance on the improvements in an amount adequate to protect all parties to date of closing of this sale. In the event of loss or damage to the improvements prior to closing, Seller agrees to notify Buyer in writing of such damage. The proceeds of

any fire or other insurance coverage pertaining to the same shall be used to restore said improvements to the condition they were in prior to such loss; but if such proceeds are inadequate to pay the cost of such restoration, then this contract may, at the option of Buyer or Seller, be terminated, whereupon the escrow agent shall, upon demand, return the earnest money, if any, and all papers deposited by Buyer to Buyer and all papers delivered by Seller to Seller, whereupon all parties shall be released from further liability hereunder. However, notwithstanding the provisions herein, should any loss exceed 10 percent of the purchase price, then Buyer or Seller may elect to terminate this contract. Seller hereby warrants that Seller has not received payment for any insured loss in regards to the subject property for which repairs have not been completed in accordance with the insurance adjuster's estimate of repairs. **It is recommended that homeowners' insurance availability be ascertained during the Inspection Period.**

12. EARNEST MONIES AND ADDITIONAL DEPOSITS. Any Earnest Money or Additional Deposits shall be deposited within five (5) business days of the Effective Date, in an escrow account maintained by Listing Broker or Escrow Agent. BUYER and SELLER agree that the Listing Broker or Escrow Agent may retain any interest earned on escrowed funds. If this Contract is terminated by the express provisions of this Contract or by either party pursuant to a right expressly given in this Contract, the Earnest Money and Additional Deposits shall be returned to BUYER, and neither party shall have any further rights or obligations under this Contract, except as otherwise stated. **Provided, notwithstanding any other terms of this Contract providing for the forfeiture or refund of Earnest Money and Additional Deposits, the parties understand that neither the Listing Broker nor the Escrow Agent can distribute the Earnest Money and Additional Deposits without the written consent of all parties.** If BUYER and SELLER can't agree upon the disposition of the Earnest Money and Additional Deposits or any other funds, Listing Broker or Escrow Agent may commence an inter-pleader action. BUYER and SELLER agree that Listing Broker or Escrow Agent shall be entitled to reimbursement of its costs incurred in connection with the inter-pleader proceeding including, without limitation, reasonable attorneys' fees and expenses. In the absence of a dispute or written consent to distribution, the failure by either to respond in writing to a certified letter from Listing Broker or Escrow Agent within 7 days of receipt or failure to make written demand for return or forfeiture of the Earnest Money and Additional Deposits within thirty (30) days of notice of cancellation of this Contract shall constitute consent to distribution of the Earnest Money and Additional Deposits as suggested in such certified letter. All parties acknowledge that any earnest deposit funds that remain in the Broker's or escrow agent's escrow account for over 5 years may be sent to the State of Kansas.

13. SURVEY. BUYER may, at BUYER'S expense, obtain a survey of the property before the closing date to assure that there are no defects, encroachments, overlaps, boundary line or acreage disputes, or other matters, that would be disclosed by a survey. **BUYER acknowledges that a Mortgagee Inspection Report or "Loan Survey" is not considered a survey.** Prior to the closing date, BUYER shall notify SELLER of any encroachments of any improvements upon, from, or onto the property or any building setback line, property line, or easement, which encroachment shall be deemed to be a title defect. If SELLER does not remedy the defects in title, BUYER shall have the option of (a) completing this purchase and accepting the title SELLER is able to convey without adjustment in the purchase price, or (b) canceling this Contract.

14. EVIDENCE OF TITLE. Prior to the Closing Date, SELLER, at SELLER'S expense, agrees to deliver to BUYER a title insurance commitment from a company authorized to insure titles in Kansas. The title commitment shall commit to insure a marketable fee simple title to the BUYER. However, title to the Property shall be subject to the conditions in this Contract and to customary covenants, declarations, restrictions, zoning laws, easements, party wall agreements, special assessments, and community contracts of record as of the effective date of the title commitment (the "Permitted Exceptions"). If BUYER notifies SELLER in writing of any objections to title, SELLER shall then make a good faith effort to remedy the defects in title. If SELLER does not remedy the title defects before the closing date, BUYER may elect to waive the objections, extend the closing date a reasonable time for SELLER to remedy the defects or cancel this contract. **UNLESS OTHERWISE PROVIDED IN THIS CONTRACT, THE OWNER'S TITLE POLICY WILL INCLUDE MECHANIC'S LIEN COVERAGE. SELLER agrees to pay SELLER'S escrow settlement fee. BUYER agrees to pay BUYER'S mortgage/cash settlement fee.**

15. TAXES, PRORATIONS & SPECIAL ASSESSMENTS. All general/state/county/school and municipal real estate taxes, homes association dues and fees, special assessments, and any other contractual

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obligations of SELLER to be assumed by BUYER for years prior to the current calendar year shall be paid by SELLER. Any of the preceding items which become due and accrue during the calendar year in which SELLER'S warranty deed is delivered (including rents, if applicable) shall be prorated between the parties as of the closing date and, for all years thereafter, to the extent permitted by applicable law, shall be assumed and paid by BUYER. BUYER acknowledges that the property may be subject to a special assessment, fee, or located in an improvement district. BUYER acknowledges that this disclosure is required by Kansas law, and may be found in the Seller's Disclosure or a separate document, if applicable. BUYER acknowledges that, if applicable, SELLER has disclosed to BUYER that the subject property is located in an improvement district created pursuant to Kansas law and is or may be subject to a special assessment or fee pursuant to Kansas law. Furthermore, SELLER has disclosed to BUYER the amount of any applicable special assessment or fee or, if the amount of such special assessment or fee is unknown to SELLER, has given BUYER a good-faith estimate of such special assessment or fee. **(Check One)**

☐ THE SELLER DISCLOSES the estimated annual special assessment tax is _____ .
☒ THE SELLER DISCLOSES the actual annual special assessment tax is 0 .

If the actual amount of any item, other than taxes for the current year, cannot be ascertained from the public record, the amount of the item for the preceding year will be used for the current year's amount. If the actual amount of taxes for the current calendar year cannot be determined, it will be estimated by using the current year's assessed value, if available from the county taxing authority, and last year's mill levy. If assessed value is not available, the Contract purchase price will be used with last year's mill levy. Buyer and Seller agree to accept such prorations as final and release each other, Broker(s), Agent(s), and Closing Agent(s) from any liability for any increase or decrease in actual taxes due.

16. THIRD PARTY INTEREST. SELLER and BUYER acknowledge that Broker may have a financial interest in third parties providing specialized services required by this Contract including, but not limited to, lender, title insurance company, escrow agent, Closing Agent, warranty company, wood infestation/mechanical/structural or other inspectors and repair personnel. **SELLER and BUYER agree that Broker shall not be responsible for the conduct of third parties providing specialized services whether those services were arranged by SELLER, BUYER, or Broker.**

17. NOTICES. Any notice or other communication required may be delivered in person, by facsimile, United States Postal Service, courier service or email to the address set forth in this Contract or such other address or number as shall be furnished in writing by any such party. Such notice or communication shall be deemed to have been given as of the date and time so delivered. Delivery to or receipt by a party's licensee shall constitute delivery to the party.

18. ENTIRE AGREEMENT AND MANNER OF MODIFICATIONS. This Contract and all attachments, amendments and addenda constitute the complete agreement of the parties, supersede all previous agreements, and may be modified or assigned only by written agreement.

19. DEFAULTS AND REMEDIES. SELLER or BUYER is in default if either fails to comply with any material covenant, agreement or obligation within any time limits required. Following a default by either SELLER or BUYER, the other party shall have the following remedies, subject to the provisions of Paragraph 12:

a. If SELLER defaults, BUYER may (i) specifically enforce this Contract and recover damages suffered by BUYER as a result of the delay in the acquisition of the Property; or (ii) terminate this Contract by written notice to SELLER and, at BUYER'S option, pursue any remedy and damages available by law or in equity. If BUYER elects to terminate this Contract, the Earnest Money shall be returned to BUYER subject to the provisions of Paragraph 12.

b. If BUYER defaults, SELLER may (i) specifically enforce this Contract and recover damages suffered by SELLER as a result of the delay in the sale of the Property; or (ii) terminate this Contract by written notice to BUYER and, at SELLER'S option, either retain the Earnest Money as liquidated damages as SELLER'S sole remedy and not as a penalty or pursue any other remedy and damages available at law or in equity.

If as a result of a default under this Contract, either SELLER or BUYER employs an attorney, the defaulting party shall, unless prohibited by law, reimburse the non-defaulting party for all reasonable attorney's fees, court costs and other legal expenses incurred by the non-defaulting party in connection with the default.

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20. SEXUAL PREDATOR NOTICE. Kansas law requires persons who are convicted of certain crimes, including certain sexually violent crimes, to register with the sheriff of the county in which they reside. If you, as the BUYER, desire information regarding those registrants, you may find information on the homepage of the Kansas Bureau of Investigation (KBI) at http://www.kansas.gov/kbi or by contacting the local sheriff's office.

21. RADON. Every buyer of residential real property is notified that the property may present exposure to dangerous concentrations of indoor radon gas that may place occupants at risk of developing radon-induced lung cancer. Radon, a class-A human carcinogen, is the leading cause of lung cancer in non-smokers and the second leading cause overall. Kansas law requires sellers to disclose any information known to the seller that shows elevated concentrations of radon gas in residential real property. The Kansas department of health and environment recommends all home-buyers have an indoor radon test performed prior to purchasing or taking occupancy of residential real property. All testing for radon should be conducted by a radon measurement technician. Elevated radon concentrations can be easily reduced by a radon mitigation technician. For additional information go to www.kansasradonprogram.org.

22. DISCLAIMER. BUYER acknowledges property is being sold without warranties and guarantees of any kind by SELLER or any broker or agent concerning the condition or value of the property. There are no representations or warranties concerning the condition or value of the property made by SELLER or Broker on which BUYER is relying except as may be fully set forth in writing and signed by them.

23. INSPECTIONS. BUYER may, within _____ calendar days (10 days if left blank) **(the "Inspection Period")** after the Effective Date of this Contract, at BUYER'S expense, have property inspections **which may include any aspect of the property including microbials, other environmental pollutants and Radon.**

a. ACCESS TO PROPERTY, RE-INSPECTIONS, DAMAGES AND REPAIRS. SELLER shall provide BUYER reasonable access to the Property to conduct the inspections, re-inspections, inspection of any corrective measures completed by SELLER and/or final walk through prior to Closing. **BUYER shall be responsible and pay for any damage to the Property resulting from the inspection(s).**

b. WOOD-DESTROYING INSECTS. SELLER AGREES TO PAY TO HAVE THE PROPERTY TREATED for control of infestation by wood-destroying insects if a written inspection report of a licensed pest control firm reveals evidence of active infestation or evidence of past untreated infestation in the main dwelling unit or included additional structures identified below or on the property within 30 feet of such unit or structure(s) (or as otherwise required by government regulations, if BUYER is obtaining an FHA/VA or other government program loan). **The inspection report must be delivered WITHIN THE INSPECTION PERIOD, or any treatment shall be at BUYER'S expense.** If treatment is required, SELLER shall provide Buyer with a certificate evidencing treatment by a licensed pest control firm of SELLER'S choice, which certificate BUYER agrees to accept. Treatment shall be completed no earlier than ninety (90) calendar days prior to the Closing Date. BUYER shall pay for any inspections requested by BUYER and/or required by BUYER'S lender. **Any damage or repair issues related to wood destroying insect infestations must be identified as Unacceptable Conditions. Additional structures to be included in the inspection are:** _____

c. UNACCEPTABLE CONDITIONS DEFINED. An Unacceptable Condition is any condition identified in a written inspection report prepared by an independent qualified inspector of BUYER'S choice, which condition is unacceptable to BUYER and not otherwise excluded in this Contract. Any items marked "Excluded" on Seller's Disclosure cannot be used by BUYER as a reason to cancel or renegotiate this contract. In addition, the following items shall not be considered: _____

_____

d. NOTICE OF UNACCEPTABLE CONDITIONS. If BUYER'S inspections reveal Unacceptable Conditions BUYER may do any one of the following by notifying SELLER;

(1) ACCEPT THE PROPERTY "AS IS". BUYER may notify SELLER that the inspections are satisfactory or do nothing. In either case, BUYER will have waived any right to cancel or renegotiate due to any Unacceptable Conditions; or

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JCLB_Sutter

(2) **CANCEL THIS CONTRACT** by notifying SELLER in writing within the inspection period; or
(3) **OFFER TO RENEGOTIATE** with SELLER by notifying SELLER in writing within the inspection period, identifying the Unacceptable Conditions.

BUYER'S notice, as provided above, terminates the inspection period and must be accompanied by the applicable written inspection report(s) from the independent qualified inspector(s).

e. **RESOLUTION OF UNACCEPTABLE CONDITIONS.** BUYER and SELLER shall have _____ days *(5 days if left blank)* after SELLER'S receipt of BUYER'S Inspection Notice/Offer to Renegotiate (the "Renegotiation Period"), to reach an agreement resolving the Unacceptable Conditions. Any of the following executed and delivered to the other party or other party's agent prior to the expiration of the Re-negotiation Period shall constitute such an agreement:
(1) An amendment signed by BUYER and SELLER resolving the Unacceptable Conditions; or
(2) A written statement signed by BUYER accepting the Property "as is" without correction of any Unacceptable Conditions; or
(3) A written statement signed by SELLER agreeing to do everything requested by BUYER in BUYER'S Offer to Renegotiate.

If no agreement resolving the Unacceptable Conditions is reached prior to the expiration of the Renegotiation Period, then either party may cancel this Contract by written notice to the other.

If BUYER does not conduct inspections BUYER shall have waived any right to cancel or renegotiate this Contract pursuant to the inspection provisions. If BUYER conducts inspections but fails to notify SELLER of Unacceptable Conditions prior to the expiration of the Inspection Period, BUYER shall have waived any right to cancel or renegotiate this Contract pursuant to these inspection provisions.

24. AGENCY DISCLOSURE. SELLER/LANDLORD AND BUYER/TENANT HEREBY ACKNOWLEDGE THAT THE REAL ESTATE BROKERAGE RELATIONSHIPS BROCHURE HAS BEEN FURNISHED TO THEM, AND THAT THE BROKERAGE RELATIONSHIPS WERE DISCLOSED TO THEM OR THEIR RESPECTIVE AGENTS AND/OR TRANSACTION BROKERS NO LATER THAN THE FIRST SHOWING, UPON FIRST CONTACT, OR IMMEDIATELY UPON THE OCCURRENCE OF ANY CHANGE TO THAT RELATIONSHIP.

SELLER/LANDLORD AND BUYER/TENANT CONFIRMATION OF BROKERAGE AGENCY RELATIONSHIPS:

A. Licensee assisting SELLER is functioning as:
☐ SELLER'S Agent
☐ Designated SELLER'S Agent **(Supervising Broker acts as a Transaction Broker)**
☒ Transaction Broker and SELLER agree, if applicable, to sign a Transaction Broker Agreement. SELLER is not being represented.
☐ BUYER'S Agent and SELLER is not being represented
☐ Designated BUYER'S Agent **(Supervising Broker acts as a Transaction Broker.)** SELLER is not being represented
☐ Subagent

B. Licensee assisting BUYER is functioning as:
☐ BUYER'S Agent
☐ Designated BUYER'S Agent **(Supervising Broker acts as a Transaction Broker)**
☒ Transaction Broker and BUYER agree, if applicable, to sign a Transaction Broker Agreement. Buyer is not being represented.
☐ SELLER'S Agent and Buyer is not being represented
☐ Designated SELLER'S Agent in BUYER Purchase of the Property **(Supervising Broker acts as a Transaction Broker.)** BUYER is not being represented.
☐ Subagent

25. SOURCE OF COMPENSATION. Brokerage fees, to include but not limited to broker commissions and other fees shall be paid out of escrow at Closing by ☒ SELLER/LANDLORD and, or, ☐ BUYER/TENANT

unless otherwise described in the terms of the respective agency agreements or other SELLER/BUYER agreements. **SELLER/LANDLORD and BUYER/TENANT understand and agree that Brokers may be compensated by more than one party in the transaction.**

26. ADDITIONAL TERMS AND CONDITIONS. _____

_____

_____

27. EXPIRATION. This offer shall expire on _____, at _____ o'clock __ .m. (5:00 p.m. if left blank) unless accepted by SELLER or withdrawn by BUYER before that time.

IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING. TIME IS OF THE ESSENCE OF THIS CONTRACT.

All parties agree that this transaction can be conducted by electronic means according to the Uniform Electronic Transaction Act as adopted in Kansas.

SELLER Junction City Land Bank **DATE**	**BUYER** See Addendum 1 **DATE** Karen L Sutter, Trustee 10/29/18
SELLER **DATE**	**BUYER** Walter Sutter, Trustee 10/29/18 **DATE**
Coldwell Banker Mowry Custer, Realtors	Coldwell Banker Mowry Custer, Realtors
Name of Listing Brokerage	Name of Selling Brokerage
Lance Custer	Lance Custer
Name of Licensee Assisting Seller (Please Print)	Name of Licensee Assisting Buyer (Please Print)
_____/_____	_____/_____
Listing Licensee Phone # Fax #	Selling Licensee Phone # Fax #
Lance.custer@coldwellbanker.com	Lance.custer@coldwellbanker.com
Listing Licensee Email Address	Selling Licensee Email Address
BR0052930	BR0052930
Listing Agent License #	Selling Agent License #
BR0052930	BR0052930
Supervising Broker License #	Supervising Broker License #

The **Effective Date** shall be the date of final acceptance by the last party to sign this agreement.

FORM CERTIFICATION: *(To be completed by Licensee preparing this form.)*

The undersigned Licensee assisted in completing the blanks in the foregoing form and confirms, to the best of his/her knowledge, that the printed form contains the language approved by Legal Counsel for the Manhattan Association of REALTORS®, Inc. The undersigned Licensee further confirms that no additions or deletions to the approved language have been made, except such changes as may appear hereon made by hand or computer generation and signed and/or initialed by the party submitting this offer. Licensee's signature below is not an opinion as to the legal validity or meaning of any provisions contained in this form, but merely confirms that, to the best of the Licensee's knowledge, no changes have been made to the approved form.

(CHECK ONE)

☐ Licensee Assisting Seller	☐ Licensee Assisting Buyer

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ADDENDUM 1

Addendum to contract dated October 29th, 2018 between:
Junction City Land Bank (Sellers) and
See Addendum 1 (Buyers) on property located
at R9639, R9640, R9641,, Junction City, KS 66441

Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust dated July 14, 2010.

SELLER Junction City Land Bank DATE BUYER See Addendum 1 DATE

Karen K. Sutter, Trustee 10/29/18

SELLER DATE BUYER DATE

Walter N. Sutter, Trustee 10/29/18

FLINT HILLS ASSOCIATION OF REALTORS®

LEGAL DESCRIPTION ADDENDUM

SELLER: Junction City Land Bank

BUYER: See Addendum 1

PROPERTY: R9639, R9640, R9641,, Junction City, KS 66441

PROPERTY LEGAL DESCRIPTION:

See Legal Description Addendum

Lots 2,3 & 4, Block 4 Sutter Woods Subdivision, Junction City, Geary County, KS

(INFORMATION DEEMED RELIABLE BUT NOT GUARANTEED)

CAREFULLY READ THE TERMS HEREOF BEFORE SIGNING. WHEN SIGNED BY ALL PARTIES, THIS DOCUMENT BECOMES PART OF A LEGALLY BINDING CONTRACT. IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING.

		Karen K Sutter Trustee	10/29/18
SELLER	**DATE**	**BUYER**	**DATE**
Junction City Land Bank		See Addendum 1	
		Walter N Sutter Trustee	10/29/18
SELLER	**DATE**	**BUYER**	**DATE**

Approved by Legal Counsel of the Kansas City Regional Association of REALTORS® for exclusive use by its REALTOR® members. No warranty is made or implied as to the legal validity or adequacy of this Contract, or that it complies in every respect with the law or that its use is appropriate for all situations. Local law, customs and practices, and differing circumstances in each transaction may dictate that amendments to this Contract be made. Copyright January 2008. Last revised 10/07. All previous versions of this document may no longer be valid.

ADDENDUM 2

Addendum to contract dated October 29th, 2018 between:
Junction City Land Bank (Sellers) and
See Addendum 1 (Buyers) on property located
at R9639, R9640, R9641, Junction City, KS 66441

County Reference numbers for subject properties are R9639 on Larkspur Road, R9640, R9641 on Sutter Wood Road.

Buyers agree to pay the cost of the owner title policy and the settlement fees.

Buyers acknowledge that the Junction City Land Bank, Coldwell Banker Mowry Custer, Realtors and its licensees do not warrant the suitability of the lots and infrastructures. Buyers also acknowledge that the buyers have has the right to conduct any due diligence to determine the suitability of the lots for buyers' intended purpose.

Buyer acknowledges receipt of a copy of the Declaration of Covenants, conditions and restrictions.

SELLER Junction City Land Bank	DATE	BUYER See Addendum 1 Karen K Sutter Trustee 10/29/18	DATE
SELLER	DATE	BUYER Walter N Sutter Trustee 10/29/18	DATE

COLDWELL BANKER
MOWRY CUSTER, REALTORS®

APPROXIMATE SELLER'S PROCEEDS

Seller's Name(s): Junction City Land Bank

Property Address: R9639, R9640, R9641 **Date:** 9/10/2018

A. SELLING PRICE				$ 15,000.00
B. ENCUMBRANCES				
1. First Mortgage				
2. Second Mortgage				
C. ESTIMATED SELLING COST				
1. Policy of Title Insurance				
2. Estimated Escrow/Settlement Agency Fees				
3. Termite Inspection and Report (Possible Corrective and/or Preventative Work Not Included)				
4. Proration of Interest on Existing Loan (Interest is Always One Month in Arrears. Allow One Month's Interest Maximum)				
5. Brokerage Fee	######	20.00%	$ 3,000.00	
6. Tax Proration	(Flat Fee of $1000 per lot)			
7. Buyer's Cost				
8. Home Warranty				
9. Septic Inspection & Plumbing (Estimated Cost: Uncover/Pump/Inspect $650; Risers $150)				
10. Well Inspection (Estimated Cost: $100-$200)				
11. Attorney Fees				
12. Miscellaneous:				
13. Miscellaneous:				
14. Miscellaneous:				
D. APPROXIMATE TOTAL COSTS AND ENCUMBRANCES				**$ 3,000.00**
E. APPROXIMATE SELLER'S PROCEEDS				**$ 12,000.00**

(Sales Price Less Total Costs)

** The approximate seller's proceeds calculated above will vary according to any differences in unpaid loan balances, escrow account (if any) and any expenses for required corrective and/or preventative work

POSSIBLE ADDITIONAL CREDITS OR DEBITS

- Proration of Property Tax
- Proration or Cancellation of Fi
- Return Balance in Escrow Account
- Encumbrances Not Disclosed By Seller

I am fully aware that this estimate has been prepared to assist me in computing my costs. Whenever possible, the broker has used the maximum charges that can be expected. The above fees and charges are estimates only; actual amounts are not guaranteed by Coldwell Banker and/or any of it's agents or affiliates.

I have read the above figures and acknowledge reciept of a copy of this form.

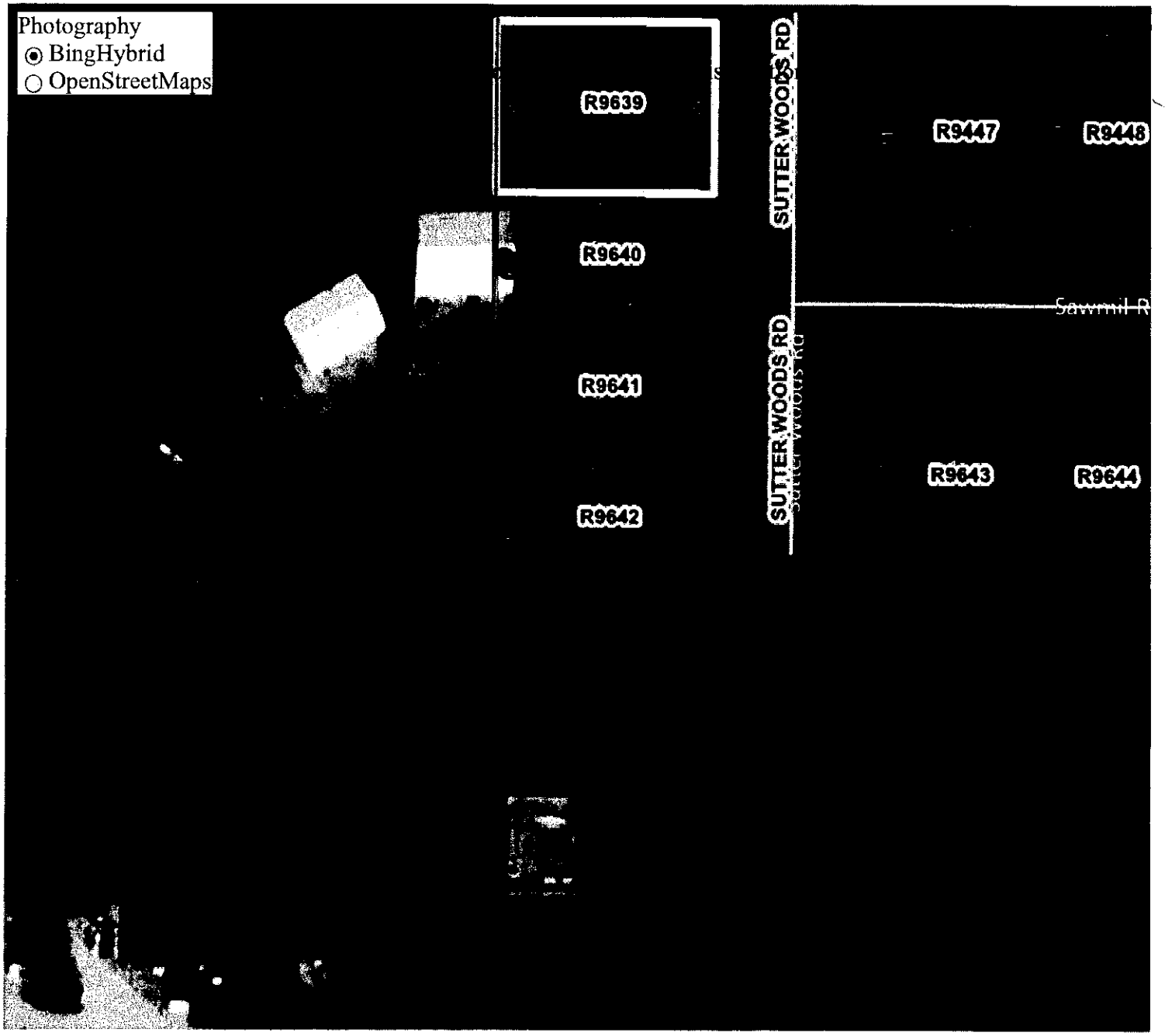
Seller Date

Lance Custer
Broker/Sales Associate

Date

COLDWELL BANKER MOWRY CUSTER, REALTORS
Company

785-762-4663
Telephone



Karen K. Sutter 10/29/18

Walter N Sutter 10/29/18

SPECIAL WARRANTY DEED

THIS INDENTURE is made this __ day of November, 2018, by and between the Junction City Land Bank, an independent agency and instrumentality of the City of Junction City, Kansas, as Grantor, and Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust, as Grantee.

WITNESSETH, that Grantor, in consideration of the sum of Fifteen Thousand and no/100 Dollars ($15,000.00), the receipt of which is hereby acknowledged, does by these presents SELL AND CONVEY unto Grantee, and to its successors and assigns, with special warranty covenant, all of Grantor's interest in the following-described lot, tract, or parcel of land, lying, being and situate in the County of Geary and State of Kansas, to-wit:

Lot Two (2), Block Four (4), Sutter Woods Subdivision, a Subdivision in the City of Junction City, Geary County, Kansas

Lot Three (3), Block Four (4), Sutter Woods Subdivision, a Subdivision in the City of Junction City, Geary County, Kansas

Lot Four (4), Block Four (4), Sutter Woods Subdivision, a Subdivision in the City of Junction City, Geary County, Kansas

TO HAVE AND TO HOLD THE SAME, together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining, forever. And Grantor, for Grantor's heirs, executors or administrators, do hereby covenant, promise and agree to and with Grantee that, at the delivery of these presents, said interest in said premises is free, clear, discharged and unencumbered of and from all former and other grants, titles, charges, estates, judgments, taxes, assessments and encumbrances of whatsoever nature and kind, except as set forth above, by, through, or under Grantor, and that Grantor will warrant and forever defend said interest unto Grantee and Grantee's successors and assigns against Grantor, and Grantor's successors

and assigns, and all and every person or persons whomsoever, lawfully claiming or to claim the same by, through or under Grantor.

IN WITNESS WHEREOF, Grantor has executed this document the day and year first above written.

GRANTOR

JUNCTION CITY LAND BANK

By: _____
Pat Landes,
Chairman, Land Bank Board of Trustees

ATTEST:

_____
Tammy Melton
Secretary, Land Bank Board of Trustees

STATE OF KANSAS)
) ss.
COUNTY OF GEARY)

On this ____ day of _____, 2018, before me, a Notary Public in and for said state, personally appeared Pat Landes, who stated that he is the Chairman of the Junction City Land Bank Board of Trustees, known to me to be the person who executed the within instrument on behalf of said Junction City Land Bank and acknowledged to me that he executed the same for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

_____
Notary Public in and for said
County and State

My Commission Expires:

_____

RESOLUTION NO. 13-2018

A RESOLUTION APPROVING CONTRACT OF PURCHASE, DIRECTING NOTICE OF SALE AND AUTHORIZING THE CHAIRMAN OF THE BOARD OF TRUSTEES OF THE JUNCTION CITY LAND BANK TO EXECUTE A SPECIAL WARRANTY DEED CONVEYING PROPERTY TO WALTER N. SUTTER AND KAREN K. SUTTER, CO-TRUSTEES OF THE SUTTER LIVING TRUST.

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE JUNCTION CITY LAND BANK, THAT:

1. The Contract of Purchase between the Junction City Land Bank and Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust in the form presented to the Board on this date is hereby approved.

2. The Secretary of the Land Bank is directed to publish a notice of sale in the form presented to the Board on this date.

3. Chairman of the Board of Trustees of the Junction City Land Bank is hereby authorized to sign, and the Secretary attest and deliver the Special Warranty Deed conveying Lot Two (2), Block Four (4), Sutter Woods Subdivision, a Subdivision in the City of Junction City, Geary County, Kansas, Lot Three (3), Block Four (4), Sutter Woods Subdivision, a Subdivision in the City of Junction City, Geary County, Kansas and Lot Four (4), Block Four (4), Sutter Woods Subdivision, a Subdivision in the City of Junction City, Geary County, Kansas to Walter N. Sutter and Karen K. Sutter, Co-Trustees of the Sutter Living Trust.

4. The Chairman and other officials of the Junction City Land Bank are authorized and directed to execute and deliver such other documents and agreements as such officials deem necessary or appropriate to carry out the foregoing resolutions.

PASSED AND ADOPTED BY THE BOARD OF THE JUNCTION CITY LAND BANK THIS 6TH DAY OF NOVEMBER, 2018.

_____
Pat Landes, Chairman

ATTEST:

_____
Tammy Melton, Secretary

CITY OF JUNCTION CITY LAND BANK

NOTICE OF SALE

Notice is hereby given that the Board of Trustees of the Junction City Land Bank have conditionally accepted an offer to purchase the following lots:

Lot Two (2), Block Four (4), Sutter Woods Subdivision, a Subdivision in the City of Junction City, Geary County, Kansas
Lot Three (3), Block Four (4), Sutter Woods Subdivision, a Subdivision in the City of Junction City, Geary County, Kansas
Lot Four (4), Block Four (4), Sutter Woods Subdivision, a Subdivision in the City of Junction City, Geary County, Kansas

with the sale of such lots to be on a date which is not sooner than 30 days after the date of publication of this notice.

/s/ Tammy Melton
Land Bank Secretary
November 6, 2018

Backup material for agenda item:

h. Consider the offer from Mary Beth Mathis Trust to purchase Lot 6 & 7, Block 1 of Deer Creek Addition Unit No. 3 in the amount of $5,000.00.

City of Junction City

Land Bank

Agenda Memo

11-06-2018

From: Allen J. Dinkel, City Manager

To: Land Bank Board

Subject: **Land Bank Offer**

Objective: Consider offer to purchase two Land Bank lot.

Explanation of Issue: Mary Beth Mathis Trust is offering to purchase Lot 6 & 7, Block 1 of Deer Creek Addition #3 for $5,000.00. The buyer acknowledges there are no electric and natural gas utilizes to these lots, thus the lower offer.

Options: 1. Accept the offer
2. Reject the Offer

Staff Recommendation:

Attachments: Sale Contract.

FLINT HILLS ASSOCIATION OF REALTORS®

RESIDENTIAL REAL ESTATE SALE CONTRACT

THIS CONTRACT is made between:

SELLER: Junction City Land Bank (State marital status)

BUYER: Mary Beth Mathis Trust

BUYER TAKING TITLE AS: ☐ JTWROS **OR** ☐ Tenants in Common

1. PROPERTY. BUYER agrees to purchase and SELLER agrees to sell the real property and the improvements **(the "Property")** commonly known as:

R10840, R10841	Junction City	KS	66441	Geary
Street Address	**City**	**State**	**Zip**	**County**

LEGAL DESCRIPTION: (As described in the Legal Description Addendum or as described below) See Legal Description Addendum

(Subject to easements and restrictions of record)

☐ Improvements include a manufactured/mobile home. (A manufactured/mobile home may be considered personal property unless certain requirements have been met.)

2. PURCHASE PRICE. The **Purchase Price** for the **Property** is $ 5,000.00 which BUYER agrees to pay as follows:

a. Earnest Money in the form of: ***(check one)***

☒ Personal check **OR** ☐ Other _____ in the amount of $ 500.00

Deposited with:

☐ _____ Listing Broker

☒ Heartland Title Escrow/Closing Agent

☐ If no earnest money deposit or if earnest money deposit is paid directly to SELLER or Listing Broker, escrow/closing agent shall be _____

b. Total Amount financed by BUYER $ _____

c. Balance of Purchase Price to be paid on or before closing date $ 4,500.00

3. CLOSING AND POSSESSION. By January 15, 2019 ("Closing Date") SELLER shall execute and deliver into escrow with the escrow/closing agent a general warranty deed or special warranty deed, if applicable, and all other documents and funds necessary to satisfy SELLER'S obligations under this Contract. By the closing date, BUYER shall execute and deliver to the escrow/closing agent all documents (including any documents required by BUYER'S lender) and funds (including loan proceeds) necessary to satisfy BUYER'S obligations under this Contract. **SELLER AND BUYER ACKNOWLEDGE THAT ALL FUNDS REQUIRED FOR CLOSING MUST BE IN THE FORM OF CASHIER'S CHECK, WIRE TRANSFER OR OTHER CERTIFIED FUNDS.** When all documents and funds have been executed and delivered to the escrow/closing agent, the closing shall be completed. SELLER shall deliver possession of the Property to BUYER on _____ at _____, __ . M., (If left blank, the Closing Date at 5:00 P.M.) **BUYER shall not occupy the Property or place personal property in or on it prior to completion of the Closing.**

4. ADDENDA/CONTINGENCIES. The following Addenda (riders, supplements, etc.) are attached and are a part of this Contract ***(Check Applicable)*:**

☐ **Contingency for Sale and/or Closing Addendum**
☐ **Seller's Disclosure Statement of Condition Addendum**
☐ **Lead-Based Paint Addendum**
☒ **Other:** Addendum 1

☐ **Other:** _____
☐ **Other:** _____
☐ **Other:** _____
☐ **Other:** _____

Coldwell Banker Mowry Custer Realtors®, 522 N. Eisenhower Dr. Junction City KS 66441
Phone: 785-762-4663 Fax: 785-762-2292 Raygen Battishill

lots

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5. INCLUSIONS AND EXCLUSIONS

This Contract, and no other attachment or writing, provides for what is included in this sale. The purchase price includes all of the improvements (if any) and appurtenances, fixtures and equipment permanently affixed to the premises, including the following, if any:

Attic and ceiling fans	Garage door openers *(and remote transmitting units)*	Other Mirrors *(if attached)*
Bathroom mirrors (*attached & unattached)*	Gas heaters	Outside cooking units *(if attached)*
Central air conditioning	Gas logs and fireplace grates	Owned propane tanks
Central vacuum & attachments	Heating and plumbing equipment *(and fixtures)*	Shelving *(if attached)*
Fences *(incl. invisible & controls)*	Humidifiers *(if attached)*	Soft water conditioner *(if owned)*
Fire, smoke and burglary detection units *(if owned)*	Keys to all doors	Storm windows, doors & screens
Fireplace screens and/or glass doors *(if attached)*	Kitchen appliances *(built-in)*	TV antennas and satellite dishes *(if attached)*
Floor coverings *(if attached)*	Lighting and light fixtures	Sprinkler systems & controls
		Window blinds curtains, drapes, rods and components

Exclusions. The following items are not included in the sale and are not considered part of the Property:

_____

6. CASH SALE.

☒ **Check if Cash Sale.** BUYER shall provide written verification of sufficient funds available to close within _____ days (5 days if left blank) of the effective date of the contract. Buyer may, within _____ days of the effective date of the contract, at BUYER'S expense, obtain an appraisal of the Property by an independent licensed appraiser.

7. FINANCING TERMS. NEW MORTGAGE:

This contract is contingent upon Buyer being approved for a mortgage loan on the subject property from _____ at an interest rate of not more than _____ % per annum, for a term of up to _____ years. If Buyer is disapproved for said loan then this contract shall be null and void and the earnest money shall be returned to Buyer, subject to the provisions of this contract. Approval/disapproval of financing shall be in writing from Buyer's lender, and Buyer shall make application for said financing within five (5) days of Effective Date of this contract, immediately pay all application fees required by the lender and promptly submit any documentation or information requested or required by the lender.

Not less than 3 business days prior to the day of closing, Buyer shall provide to Seller written proof of final mortgage loan approval satisfactory to Seller. If Buyer does not provide said proof by said date, then Seller shall have the right to declare this contract null and void by giving Buyer written notice of Seller's intent to cancel the contract. Buyer shall have three (3) business days, from receipt of said notice to complete the closing by delivering to the escrow agent funds and any other items necessary to complete closing. If the three (3) day period extends beyond the closing date, then the closing date shall be automatically extended to the end of the three (3) day period. If Seller provides written notice of Seller's intent to cancel and Buyer is unable to close within the three (3) day period, then this contract shall be null and void and the earnest money deposit shall be returned to Buyer, subject to the terms of this contract.

☐ **CONVENTIONAL LOAN:** Type of conventional loan: _____ (fixed or adjustable)

☐ **VA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or incur any penalty by forfeiture of earnest money or otherwise, if the Contract purchase price or cost exceeds the reasonable value of the property established by the Department of Veterans Affairs. However, Buyer may proceed with the purchase without regard to the amount of the reasonable value as established by the Department of Veterans Affairs. Seller shall, in addition to any other sums provided for herein, pay all costs associated with obtaining Buyer's loan which the Department of Veterans Affairs will not permit Buyer to pay, provided said costs do not exceed $ _____ ($0 if left blank), subject to the terms set forth above.

☐ **FHA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or to incur any penalty by forfeiture of earnest money or otherwise, unless the Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Department of

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Veterans Affairs, or a Direct Endorsement lender setting forth the appraised value of the property of not less than $ _____ (purchase price). The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. **HUD does not warrant the value or the condition of the property. Buyer should satisfy him/herself that the price and condition of the property are acceptable.** Seller shall, in addition to any other sums provided for herein, pay all costs associated with obtaining Buyer's loan which the FHA will not permit Buyer to pay, provided said costs do not exceed $ _____ ($0 if left blank), subject to the terms set forth above.

FHA CERTIFICATION: The borrower, seller, and the selling real estate agent or broker involved in the sales transaction must certify that the terms and conditions of the sales contract are true to the best of their knowledge and belief and that any other agreement entered into by any of the parties in connection with the real estate transaction is part of, or attached to, the sales agreement.

_____ _____

Listing Licensee Date Selling Licensee Date

☐ **OTHER:** _____ (Identify)

TOTAL ADDITIONAL SELLER EXPENSES: (Each line $0 if left blank)

a. **Additional SELLER paid costs:** In addition to any other costs SELLER agreed to pay herein, SELLER agrees to pay other allowable closing costs permitted by lender(s) and/or prepaid items for BUYER, not to exceed: $ _____

b. **Costs Not Payable by BUYER** (Identify) _____ $ _____

c. **Lender(s) approved down payment assistance costs** $ _____

d. **Other** _____ $ _____

TOTAL ADDITIONAL SELLER EXPENSES NOT TO EXCEED $ _____

8. APPRAISED VALUE CONTINGENCY. If the final appraised value of the Property, as determined by BUYER'S appraiser, is not equal to or greater than the Purchase Price, BUYER may cancel this Contract by written notice to SELLER, which notice shall be accompanied by a copy of the appraisal. If within five (5) days after receipt of BUYER'S notice of intent to cancel SELLER does not agree in writing to reduce the purchase price to an amount equal to the final appraised value of the Property, as determined by BUYER'S appraiser; or BUYER and SELLER fail to agree in writing on an acceptable sale price, this Contract shall be canceled and BUYER'S earnest money and any additional deposits shall be returned to BUYER subject to the provisions of Paragraph 12 of this Contract.

9. ☐ LIMITED HOME WARRANTY PLAN. *(Check if applicable)*:

☐ SELLER or ☐ BUYER, at a cost not to exceed $ _____, agrees to purchase a home warranty plan from _____ (vendor) with a per claim deductible of $ _____. The ***(Check one)*** ☐ Licensee assisting SELLER or ☐ Licensee assisting BUYER will make arrangements for the home warranty plan, submitting required documentation for such to the escrow agent prior to Closing. Broker may receive a fee from the warranty company. **Home warranty plans may not cover pre-existing conditions and are not a substitute for inspections.**

10. UTILITIES and MAINTENANCE. Until possession or Closing, whichever occurs earlier, SELLER shall: leave all utilities on and maintain the Property in its present condition, remove all possessions, trash and debris, clean the property, perform ordinary and necessary maintenance, upkeep and repair to the property. If applicable, BUYER agrees to reimburse SELLER at closing for any propane gas remaining in tank based on the price per gallon paid by SELLER.

11. CASUALTY INSURANCE AND LOSS. Seller shall bear all risk of loss or damage to the property to date of closing. Seller agrees to carry fire and extended coverage insurance on the improvements in an amount adequate to protect all parties to date of closing of this sale. In the event of loss or damage to the improvements prior to closing, Seller agrees to notify Buyer in writing of such damage. The proceeds of

any fire or other insurance coverage pertaining to the same shall be used to restore said improvements to the condition they were in prior to such loss; but if such proceeds are inadequate to pay the cost of such restoration, then this contract may, at the option of Buyer or Seller, be terminated, whereupon the escrow agent shall, upon demand, return the earnest money, if any, and all papers deposited by Buyer to Buyer and all papers delivered by Seller to Seller, whereupon all parties shall be released from further liability hereunder. However, notwithstanding the provisions herein, should any loss exceed 10 percent of the purchase price, then Buyer or Seller may elect to terminate this contract. Seller hereby warrants that Seller has not received payment for any insured loss in regards to the subject property for which repairs have not been completed in accordance with the insurance adjuster's estimate of repairs. **It is recommended that homeowners' insurance availability be ascertained during the Inspection Period.**

12. EARNEST MONIES AND ADDITIONAL DEPOSITS. Any Earnest Money or Additional Deposits shall be deposited within five (5) business days of the Effective Date, in an escrow account maintained by Listing Broker or Escrow Agent. BUYER and SELLER agree that the Listing Broker or Escrow Agent may retain any interest earned on escrowed funds. If this Contract is terminated by the express provisions of this Contract or by either party pursuant to a right expressly given in this Contract, the Earnest Money and Additional Deposits shall be returned to BUYER, and neither party shall have any further rights or obligations under this Contract, except as otherwise stated. **Provided, notwithstanding any other terms of this Contract providing for the forfeiture or refund of Earnest Money and Additional Deposits, the parties understand that neither the Listing Broker nor the Escrow Agent can distribute the Earnest Money and Additional Deposits without the written consent of all parties.** If BUYER and SELLER can't agree upon the disposition of the Earnest Money and Additional Deposits or any other funds, Listing Broker or Escrow Agent may commence an inter-pleader action. BUYER and SELLER agree that Listing Broker or Escrow Agent shall be entitled to reimbursement of its costs incurred in connection with the inter-pleader proceeding including, without limitation, reasonable attorneys' fees and expenses. In the absence of a dispute or written consent to distribution, the failure by either to respond in writing to a certified letter from Listing Broker or Escrow Agent within 7 days of receipt or failure to make written demand for return or forfeiture of the Earnest Money and Additional Deposits within thirty (30) days of notice of cancellation of this Contract shall constitute consent to distribution of the Earnest Money and Additional Deposits as suggested in such certified letter. All parties acknowledge that any earnest deposit funds that remain in the Broker's or escrow agent's escrow account for over 5 years may be sent to the State of Kansas.

13. SURVEY. BUYER may, at BUYER'S expense, obtain a survey of the property before the closing date to assure that there are no defects, encroachments, overlaps, boundary line or acreage disputes, or other matters, that would be disclosed by a survey. **BUYER acknowledges that a Mortgagee Inspection Report or "Loan Survey" is not considered a survey.** Prior to the closing date, BUYER shall notify SELLER of any encroachments of any improvements upon, from, or onto the property or any building setback line, property line, or easement, which encroachment shall be deemed to be a title defect. If SELLER does not remedy the defects in title, BUYER shall have the option of (a) completing this purchase and accepting the title SELLER is able to convey without adjustment in the purchase price, or (b) canceling this Contract.

14. EVIDENCE OF TITLE. Prior to the Closing Date, SELLER, at SELLER'S expense, agrees to deliver to BUYER a title insurance commitment from a company authorized to insure titles in Kansas. The title commitment shall commit to insure a marketable fee simple title to the BUYER. However, title to the Property shall be subject to the conditions in this Contract and to customary covenants, declarations, restrictions, zoning laws, easements, party wall agreements, special assessments, and community contracts of record as of the effective date of the title commitment (the "Permitted Exceptions"). If BUYER notifies SELLER in writing of any objections to title, SELLER shall then make a good faith effort to remedy the defects in title. If SELLER does not remedy the title defects before the closing date, BUYER may elect to waive the objections, extend the closing date a reasonable time for SELLER to remedy the defects or cancel this contract. **UNLESS OTHERWISE PROVIDED IN THIS CONTRACT, THE OWNER'S TITLE POLICY WILL INCLUDE MECHANIC'S LIEN COVERAGE. SELLER agrees to pay SELLER'S escrow settlement fee. BUYER agrees to pay BUYER'S mortgage/cash settlement fee.**

15. TAXES, PRORATIONS & SPECIAL ASSESSMENTS. All general/state/county/school and municipal real estate taxes, homes association dues and fees, special assessments, and any other contractual

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obligations of SELLER to be assumed by BUYER for years prior to the current calendar year shall be paid by SELLER. Any of the preceding items which become due and accrue during the calendar year in which SELLER'S warranty deed is delivered (including rents, if applicable) shall be prorated between the parties as of the closing date and, for all years thereafter, to the extent permitted by applicable law, shall be assumed and paid by BUYER. BUYER acknowledges that the property may be subject to a special assessment, fee, or located in an improvement district. BUYER acknowledges that this disclosure is required by Kansas law, and may be found in the Seller's Disclosure or a separate document, if applicable. BUYER acknowledges that, if applicable, SELLER has disclosed to BUYER that the subject property is located in an improvement district created pursuant to Kansas law and is or may be subject to a special assessment or fee pursuant to Kansas law. Furthermore, SELLER has disclosed to BUYER the amount of any applicable special assessment or fee or, if the amount of such special assessment or fee is unknown to SELLER, has given BUYER a good-faith estimate of such special assessment or fee. **(Check One)**

☐ THE SELLER DISCLOSES the estimated annual special assessment tax is _____.
☒ THE SELLER DISCLOSES the actual annual special assessment tax is 0.

If the actual amount of any item, other than taxes for the current year, cannot be ascertained from the public record, the amount of the item for the preceding year will be used for the current year's amount. If the actual amount of taxes for the current calendar year cannot be determined, it will be estimated by using the current year's assessed value, if available from the county taxing authority, and last year's mill levy. If assessed value is not available, the Contract purchase price will be used with last year's mill levy. Buyer and Seller agree to accept such prorations as final and release each other, Broker(s), Agent(s), and Closing Agent(s) from any liability for any increase or decrease in actual taxes due.

16. THIRD PARTY INTEREST. SELLER and BUYER acknowledge that Broker may have a financial interest in third parties providing specialized services required by this Contract including, but not limited to, lender, title insurance company, escrow agent, Closing Agent, warranty company, wood infestation/mechanical/structural or other inspectors and repair personnel. **SELLER and BUYER agree that Broker shall not be responsible for the conduct of third parties providing specialized services whether those services were arranged by SELLER, BUYER, or Broker.**

17. NOTICES. Any notice or other communication required may be delivered in person, by facsimile, United States Postal Service, courier service or email to the address set forth in this Contract or such other address or number as shall be furnished in writing by any such party. Such notice or communication shall be deemed to have been given as of the date and time so delivered. Delivery to or receipt by a party's licensee shall constitute delivery to the party.

18. ENTIRE AGREEMENT AND MANNER OF MODIFICATIONS. This Contract and all attachments, amendments and addenda constitute the complete agreement of the parties, supersede all previous agreements, and may be modified or assigned only by written agreement.

19. DEFAULTS AND REMEDIES. SELLER or BUYER is in default if either fails to comply with any material covenant, agreement or obligation within any time limits required. Following a default by either SELLER or BUYER, the other party shall have the following remedies, subject to the provisions of Paragraph 12:

a. If SELLER defaults, BUYER may (i) specifically enforce this Contract and recover damages suffered by BUYER as a result of the delay in the acquisition of the Property; or (ii) terminate this Contract by written notice to SELLER and, at BUYER'S option, pursue any remedy and damages available by law or in equity. If BUYER elects to terminate this Contract, the Earnest Money shall be returned to BUYER subject to the provisions of Paragraph 12.

b. If BUYER defaults, SELLER may (i) specifically enforce this Contract and recover damages suffered by SELLER as a result of the delay in the sale of the Property; or (ii) terminate this Contract by written notice to BUYER and, at SELLER'S option, either retain the Earnest Money as liquidated damages as SELLER'S sole remedy and not as a penalty or pursue any other remedy and damages available at law or in equity.

If as a result of a default under this Contract, either SELLER or BUYER employs an attorney, the defaulting party shall, unless prohibited by law, reimburse the non-defaulting party for all reasonable attorney's fees, court costs and other legal expenses incurred by the non-defaulting party in connection with the default.

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20. SEXUAL PREDATOR NOTICE. Kansas law requires persons who are convicted of certain crimes, including certain sexually violent crimes, to register with the sheriff of the county in which they reside. If you, as the BUYER, desire information regarding those registrants, you may find information on the homepage of the Kansas Bureau of Investigation (KBI) at http://www.kansas.gov/kbi or by contacting the local sheriff's office.

21. RADON. Every buyer of residential real property is notified that the property may present exposure to dangerous concentrations of indoor radon gas that may place occupants at risk of developing radon-induced lung cancer. Radon, a class-A human carcinogen, is the leading cause of lung cancer in non-smokers and the second leading cause overall. Kansas law requires sellers to disclose any information known to the seller that shows elevated concentrations of radon gas in residential real property. The Kansas department of health and environment recommends all home-buyers have an indoor radon test performed prior to purchasing or taking occupancy of residential real property. All testing for radon should be conducted by a radon measurement technician. Elevated radon concentrations can be easily reduced by a radon mitigation technician. For additional information go to www.kansasradonprogram.org.

22. DISCLAIMER. BUYER acknowledges property is being sold without warranties and guarantees of any kind by SELLER or any broker or agent concerning the condition or value of the property. There are no representations or warranties concerning the condition or value of the property made by SELLER or Broker on which BUYER is relying except as may be fully set forth in writing and signed by them.

23. INSPECTIONS. BUYER may, within _____ calendar days (10 days if left blank) **(the "Inspection Period")** after the Effective Date of this Contract, at BUYER'S expense, have property inspections **which may include any aspect of the property including microbials, other environmental pollutants and Radon.**

a. ACCESS TO PROPERTY, RE-INSPECTIONS, DAMAGES AND REPAIRS. SELLER shall provide BUYER reasonable access to the Property to conduct the inspections, re-inspections, inspection of any corrective measures completed by SELLER and/or final walk through prior to Closing. **BUYER shall be responsible and pay for any damage to the Property resulting from the inspection(s).**

b. WOOD-DESTROYING INSECTS. SELLER AGREES TO PAY TO HAVE THE PROPERTY TREATED for control of infestation by wood-destroying insects if a written inspection report of a licensed pest control firm reveals evidence of active infestation or evidence of past untreated infestation in the main dwelling unit or included additional structures identified below or on the property within 30 feet of such unit or structure(s) (or as otherwise required by government regulations, if BUYER is obtaining an FHA/VA or other government program loan). **The inspection report must be delivered WITHIN THE INSPECTION PERIOD, or any treatment shall be at BUYER'S expense.** If treatment is required, SELLER shall provide Buyer with a certificate evidencing treatment by a licensed pest control firm of SELLER'S choice, which certificate BUYER agrees to accept. Treatment shall be completed no earlier than ninety (90) calendar days prior to the Closing Date. BUYER shall pay for any inspections requested by BUYER and/or required by BUYER'S lender. **Any damage or repair issues related to wood destroying insect infestations must be identified as Unacceptable Conditions. Additional structures to be included in the inspection are:** _____

c. UNACCEPTABLE CONDITIONS DEFINED. An Unacceptable Condition is any condition identified in a written inspection report prepared by an independent qualified inspector of BUYER'S choice, which condition is unacceptable to BUYER and not otherwise excluded in this Contract. Any items marked "Excluded" on Seller's Disclosure cannot be used by BUYER as a reason to cancel or renegotiate this contract. In addition, the following items shall not be considered: _____

_____

d. NOTICE OF UNACCEPTABLE CONDITIONS. If BUYER'S inspections reveal Unacceptable Conditions BUYER may do any one of the following by notifying SELLER;

(1) ACCEPT THE PROPERTY "AS IS". BUYER may notify SELLER that the inspections are satisfactory or do nothing. In either case, BUYER will have waived any right to cancel or renegotiate due to any Unacceptable Conditions; or

(2) **CANCEL THIS CONTRACT** by notifying SELLER in writing within the inspection period; or
(3) **OFFER TO RENEGOTIATE** with SELLER by notifying SELLER in writing within the inspection period, identifying the Unacceptable Conditions.

BUYER'S notice, as provided above, terminates the inspection period and must be accompanied by the applicable written inspection report(s) from the independent qualified inspector(s).

e. **RESOLUTION OF UNACCEPTABLE CONDITIONS.** BUYER and SELLER shall have _____ days *(5 days if left blank)* after SELLER'S receipt of BUYER'S Inspection Notice/Offer to Renegotiate (the "Renegotiation Period"), to reach an agreement resolving the Unacceptable Conditions. Any of the following executed and delivered to the other party or other party's agent prior to the expiration of the Re-negotiation Period shall constitute such an agreement:
(1) An amendment signed by BUYER and SELLER resolving the Unacceptable Conditions; or
(2) A written statement signed by BUYER accepting the Property "as is" without correction of any Unacceptable Conditions; or
(3) A written statement signed by SELLER agreeing to do everything requested by BUYER in BUYER'S Offer to Renegotiate.

If no agreement resolving the Unacceptable Conditions is reached prior to the expiration of the Renegotiation Period, then either party may cancel this Contract by written notice to the other.

If BUYER does not conduct inspections BUYER shall have waived any right to cancel or renegotiate this Contract pursuant to the inspection provisions. If BUYER conducts inspections but fails to notify SELLER of Unacceptable Conditions prior to the expiration of the Inspection Period, BUYER shall have waived any right to cancel or renegotiate this Contract pursuant to these inspection provisions.

24. AGENCY DISCLOSURE. SELLER/LANDLORD AND BUYER/TENANT HEREBY ACKNOWLEDGE THAT THE REAL ESTATE BROKERAGE RELATIONSHIPS BROCHURE HAS BEEN FURNISHED TO THEM, AND THAT THE BROKERAGE RELATIONSHIPS WERE DISCLOSED TO THEM OR THEIR RESPECTIVE AGENTS AND/OR TRANSACTION BROKERS NO LATER THAN THE FIRST SHOWING, UPON FIRST CONTACT, OR IMMEDIATELY UPON THE OCCURRENCE OF ANY CHANGE TO THAT RELATIONSHIP.

SELLER/LANDLORD AND BUYER/TENANT CONFIRMATION OF BROKERAGE AGENCY RELATIONSHIPS:

A. Licensee assisting SELLER is functioning as:
☐ SELLER'S Agent
☐ Designated SELLER'S Agent **(Supervising Broker acts as a Transaction Broker)**
☒ Transaction Broker and SELLER agree, if applicable, to sign a Transaction Broker Agreement. SELLER is not being represented.
☐ BUYER'S Agent and SELLER is not being represented
☐ Designated BUYER'S Agent **(Supervising Broker acts as a Transaction Broker.)** SELLER is not being represented
☐ Subagent

B. Licensee assisting BUYER is functioning as:
☐ BUYER'S Agent
☐ Designated BUYER'S Agent **(Supervising Broker acts as a Transaction Broker)**
☒ Transaction Broker and BUYER agree, if applicable, to sign a Transaction Broker Agreement. Buyer is not being represented.
☐ SELLER'S Agent and Buyer is not being represented
☐ Designated SELLER'S Agent in BUYER Purchase of the Property **(Supervising Broker acts as a Transaction Broker.)** BUYER is not being represented.
☐ Subagent

25. SOURCE OF COMPENSATION. Brokerage fees, to include but not limited to broker commissions and other fees shall be paid out of escrow at Closing by ☒ SELLER/LANDLORD and, or, ☐ BUYER/TENANT

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unless otherwise described in the terms of the respective agency agreements or other SELLER/BUYER agreements. **SELLER/LANDLORD and BUYER/TENANT understand and agree that Brokers may be compensated by more than one party in the transaction.**

26. ADDITIONAL TERMS AND CONDITIONS. _____

_____

_____

27. EXPIRATION. This offer shall expire on _____, at _____ o'clock __ .m. (5:00 p.m. if left blank) unless accepted by SELLER or withdrawn by BUYER before that time.

IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING. TIME IS OF THE ESSENCE OF THIS CONTRACT.

All parties agree that this transaction can be conducted by electronic means according to the Uniform Electronic Transaction Act as adopted in Kansas.

	Mary Beth Mathis 10-26-18
SELLER Junction City Land Bank **DATE**	**BUYER** Mary Beth Mathis Trust **DATE**
SELLER **DATE**	**BUYER** **DATE**
Coldwell Banker Mowry Custer, Realtors	Coldwell Banker Mowry Custer, Realtors
Name of Listing Brokerage	Name of Selling Brokerage
Lance Custer	Lance Custer
Name of Licensee Assisting Seller (Please Print)	Name of Licensee Assisting Buyer (Please Print)
/	/
Listing Licensee Phone # Fax #	Selling Licensee Phone # Fax #
Lance.custer@coldwellbanker.com	Lance.custer@coldwellbanker.com
Listing Licensee Email Address	Selling Licensee Email Address
BR0052930	BR0052930
Listing Agent License #	Selling Agent License #
BR0052930	BR0052930
Supervising Broker License #	Supervising Broker License #

The **Effective Date** shall be the date of final acceptance by the last party to sign this agreement.

FORM CERTIFICATION: *(To be completed by Licensee preparing this form.)*

The undersigned Licensee assisted in completing the blanks in the foregoing form and confirms, to the best of his/her knowledge, that the printed form contains the language approved by Legal Counsel for the Manhattan Association of REALTORS®, Inc. The undersigned Licensee further confirms that no additions or deletions to the approved language have been made, except such changes as may appear hereon made by hand or computer generation and signed and/or initialed by the party submitting this offer. Licensee's signature below is not an opinion as to the legal validity or meaning of any provisions contained in this form, but merely confirms that, to the best of the Licensee's knowledge, no changes have been made to the approved form.

(CHECK ONE)

☐ Licensee Assisting Seller	☐ Licensee Assisting Buyer

Approved by Legal Counsel of the Flint Hills Association of REALTORS®, Inc. for exclusive use by its REALTOR® members. No warranty is made or implied as to the legal validity of this form, or that it complies in every respect with the law or that its use is appropriate for all situations. Copyright 2017

FLINT HILLS ASSOCIATION OF REALTORS®

LEGAL DESCRIPTION ADDENDUM

SELLER: Junction City Land Bank

BUYER: Mary Beth Mathis Trust

PROPERTY: R10840, R10841, Junction City, KS 66441

PROPERTY LEGAL DESCRIPTION:

See Legal Description Addendum
Lot 6 & Lot 7, Block 1, Deer Creek Addition, Unit number Three (3) to Junction City, Geary County, KS

(INFORMATION DEEMED RELIABLE BUT NOT GUARANTEED)

CAREFULLY READ THE TERMS HEREOF BEFORE SIGNING. WHEN SIGNED BY ALL PARTIES, THIS DOCUMENT BECOMES PART OF A LEGALLY BINDING CONTRACT. IF NOT UNDERSTOOD, CONSULT AN ATTORNEY BEFORE SIGNING.

		Mary Beth Mathis	10-26-18
SELLER	**DATE**	**BUYER**	**DATE**
Junction City Land Bank		Mary Beth Mathis Trust	
SELLER	**DATE**	**BUYER**	**DATE**

Approved by Legal Counsel of the Kansas City Regional Association of REALTORS® for exclusive use by its REALTOR® members. No warranty is made or implied as to the legal validity or adequacy of this Contract, or that it complies in every respect with the law or that its use is appropriate for all situations. Local law, customs and practices, and differing circumstances in each transaction may dictate that amendments to this Contract be made. Copyright January 2008. Last revised 10/07. All previous versions of this document may no longer be valid.

ADDENDUM 1

Addendum to contract dated October 25th, 2018 between:
Junction City Land Bank (Sellers) and
Mary Beth Mathis Trust (Buyers) on property located
at R10840, R10841, Junction City, KS 66441

County Reference numbers for subject properties are R10840-Lot 6 & R10841-Lot 7, Block 1, Deer Creek Addition, Unit number Three (3) to Junction City, Geary County, KS

Buyer acknowledges there are no utilities currently available for the lots to be purchased. Neither the city of Junction City nor the Junction City Land Bank Warrants that the entities will assume the responsibility or cost of providing utilities in the future.

Buyers agree to pay the cost of the owner title policy and the settlement fees.

Buyers acknowledge that the Junction City Land Bank, Coldwell Banker Mowry Custer, Realtors and its licensees do not warrant the suitability of the lots and infrastructures. Buyers also acknowledge that the buyers have has the right to conduct any due diligence to determine the suitability of the lots for buyers' intended purpose.

Buyer acknowledges receipt of a copy of the Declaration of Covenants, conditions and restrictions.

SELLER Junction City Land Bank	DATE	BUYER Mary Beth Mathis Trust	10-26-18 DATE
SELLER	DATE	BUYER	DATE

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COLDWELL BANKER
MOWRY CUSTER, REALTORS®

APPROXIMATE SELLER'S PROCEEDS

Seller's Name(s): Junction City Land Bank

Property Address: R10840, R10841 **Date:** 9/10/2018

A. SELLING PRICE			$ 5,000.00
B. ENCUMBRANCES			
1. First Mortgage			
2. Second Mortgage			
C. ESTIMATED SELLING COST			
1. Policy of Title Insurance			
2. Estimated Escrow/Settlement Agency Fees			
3. Termite Inspection and Report (Possible Corrective and/or Preventative Work Not Included)			
4. Proration of Interest on Existing Loan (Interest is Always One Month in Arrears. Allow One Month's Interest Maximum)			
5. Brokerage Fee	#####	$ 2,000.00	
6. Tax Proration	(Flat Fee of $1000 per lot)		
7. Buyer's Cost			
8. Home Warranty			
9. Septic Inspection & Plumbing (Estimated Cost: Uncover/Pump/Inspect $650; Risers $150)			
10. Well Inspection (Estimated Cost: $100-$200)			
11. Attorney Fees			
12. Miscellaneous:			
13. Miscellaneous:			
14. Miscellaneous:			
D. APPROXIMATE TOTAL COSTS AND ENCUMBRANCES			**$ 2,000.00**
E. APPROXIMATE SELLER'S PROCEEDS			**$ 3,000.00**

(Sales Price Less Total Costs)

** The approximate seller's proceeds calculated above will vary according to any differences in unpaid loan balances, escrow account (if any) and any expenses for required corrective and/or preventative work

POSSIBLE ADDITIONAL CREDITS OR DEBITS

- Proration of Property Tax
- Proration or Cancellation of Fi
- Return Balance in Escrow Account
- Encumbrances Not Disclosed By Seller

I am fully aware that this estimate has been prepared to assist me in computing my costs. Whenever possible, the broker has used the maximum charges that can be expected. The above fees and charges are estimates only; actual amounts are not guaranteed by Coldwell Banker and/or any of it's agents or affiliates.

I have read the above figures and acknowledge reciept of a copy of this form.

Seller Date

Lance Custer
Broker/Sales Associate

114

Date

COLDWELL BANKER MOWRY CUSTER, REALTORS
Company

785-762-4663
Telephone

SPECIAL WARRANTY DEED

THIS INDENTURE is made this __ day of November, 2018, by and between the Junction City Land Bank, an independent agency and instrumentality of the City of Junction City, Kansas, as Grantor, and Mary Beth Mathis Trust, as Grantee.

WITNESSETH, that Grantor, in consideration of the sum of Five Thousand and no/100 Dollars ($5,000.00), the receipt of which is hereby acknowledged, does by these presents SELL AND CONVEY unto Grantee, and to its successors and assigns, with special warranty covenant, all of Grantor's interest in the following-described lot, tract, or parcel of land, lying, being and situate in the County of Geary and State of Kansas, to-wit:

Lot Six (6), Block One (1), Deer Creek Addition Unit No. 3 to the City of Junction City, Geary County, Kansas

Lot Seven (7), Block One (1), Deer Creek Addition Unit No. 3 to the City of Junction City, Geary County, Kansas

TO HAVE AND TO HOLD THE SAME, together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining, forever. And Grantor, for Grantor's heirs, executors or administrators, do hereby covenant, promise and agree to and with Grantee that, at the delivery of these presents, said interest in said premises is free, clear, discharged and unencumbered of and from all former and other grants, titles, charges, estates, judgments, taxes, assessments and encumbrances of whatsoever nature and kind, except as set forth above, by, through, or under Grantor, and that Grantor will warrant and forever defend said interest unto Grantee and Grantee's successors and assigns against Grantor, and Grantor's successors and assigns, and all and every person or persons whomsoever, lawfully claiming or to claim the same by, through or under Grantor.

IN WITNESS WHEREOF, Grantor has executed this document the day and year first above written.

GRANTOR

JUNCTION CITY LAND BANK

By: _____
Pat Landes,
Chairman, Land Bank Board of Trustees

ATTEST:

_____
Tammy Melton
Secretary, Land Bank Board of Trustees

STATE OF KANSAS)
) ss.
COUNTY OF GEARY)

On this ____ day of _____, 2018, before me, a Notary Public in and for said state, personally appeared Pat Landes, who stated that he is the Chairman of the Junction City Land Bank Board of Trustees, known to me to be the person who executed the within instrument on behalf of said Junction City Land Bank and acknowledged to me that he executed the same for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

_____
Notary Public in and for said
County and State

My Commission Expires:

_____

RESOLUTION NO. 14-2018

A RESOLUTION APPROVING CONTRACT OF PURCHASE, DIRECTING NOTICE OF SALE AND AUTHORIZING THE CHAIRMAN OF THE BOARD OF TRUSTEES OF THE JUNCTION CITY LAND BANK TO EXECUTE A SPECIAL WARRANTY DEED CONVEYING PROPERTY TO MARY BETH MATHIS TRUST.

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE JUNCTION CITY LAND BANK, THAT:

1. The Contract of Purchase between the Junction City Land Bank and Mary Beth Mathis Trust in the form presented to the Board on this date is hereby approved.

2. The Secretary of the Land Bank is directed to publish a notice of sale in the form presented to the Board on this date.

3. Chairman of the Board of Trustees of the Junction City Land Bank is hereby authorized to sign, and the Secretary attest and deliver the Special Warranty Deed conveying Lot Six (6), Block One (1), Deer Creek Addition Unit No. 3 to the City of Junction City, Geary County, Kansas and Lot Seven (7), Block One (1), Deer Creek Addition Unit No. 3 to the City of Junction City, Geary County, Kansas to Mary Beth Mathis Trust.

4. The Chairman and other officials of the Junction City Land Bank are authorized and directed to execute and deliver such other documents and agreements as such officials deem necessary or appropriate to carry out the foregoing resolutions.

PASSED AND ADOPTED BY THE BOARD OF THE JUNCTION CITY LAND BANK THIS 6TH DAY OF NOVEMBER, 2018.

_____
Pat Landes, Chairman

ATTEST:

_____
Tammy Melton, Secretary

CITY OF JUNCTION CITY LAND BANK

NOTICE OF SALE

Notice is hereby given that the Board of Trustees of the Junction City Land Bank have conditionally accepted an offer to purchase the following lots:

Lot Six (6), Block One (1), Deer Creek Addition Unit No. 3 to the City of Junction City, Geary County, Kansas
Lot Seven (7), Block One (1), Deer Creek Addition Unit No. 3 to the City of Junction City, Geary County, Kansas

with the sale of such lots to be on a date which is not sooner than 30 days after the date of publication of this notice.

/s/ Tammy Melton
Land Bank Secretary
November 6, 2018