

Land Bank

January 21, 2020

City Commission Room, 701 N. Jefferson, Junction City KS 66441

Jeff Underhill

Pat Landes

Tim Brown

Nate Butler

Ronna Larson

1. 6:45 P.M. - CALL TO ORDER:

2. NEW BUSINESS:

- a. Election of Chairperson and Vice-Chairperson.
- [b.](#) Consideration of Land Bank Minutes for December 17, 2019. (p.2)
- [c.](#) Consider the offer from Sage Homes to purchase Lot 17, Block 12 of Olivia Farms Subdivision in the amount of \$1,000. (p.4)
- [d.](#) Consider the offer from Ismael Otano to purchase Lot 10, Block 10 of Sutter Highlands Subdivision in the amount of \$5,000. (p.20)

3. ADJOURNMENT:

Item Attachment Documents:

- b. Consideration of Land Bank Minutes for December 17, 2019.

JUNCTION CITY LAND BANK BOARD OF TRUSTEES MINUTES

December 17, 2019

8:03 p.m.

CALL TO ORDER

A meeting of the Junction City Land Bank Board of Trustees was held on Tuesday, December 17, 2019 with Chairman Pat Landes presiding.

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

NEW BUSINESS

Land Bank Minutes for November 19, 2019 Meeting was presented for consideration. Trustee Underhill moved to approve Land Bank Minutes for November 19, 2019 Meeting, seconded by Trustee Brown. Ayes: Landes, Underhill, Fitzgerald, Brown and Allbritton. Nays: None. Motion Carried.

Land Bank Resolution R-14-2019, Amending the Olivia Farms Declaration of Covenants, Conditions and Restrictions and Appointing a Designee to the Architectural Control Committee was presented for consideration. Trustee Underhill moved to approve Land Bank Resolution R-14-2019, Amending the Olivia Farms Declaration of Covenants, Conditions and Restrictions and Appointing a Designee to the Architectural Control Committee, seconded by Trustee Fitzgerald. Ayes: Landes, Underhill, Fitzgerald, Brown and Allbritton. Nays: None. Motion Carried.

ADJOURNMENT

Trustee Underhill moved, seconded by Trustee Brown to adjourn at 8:09 p.m. Ayes: Landes, Underhill, Fitzgerald, Brown and Allbritton. Nays: None. Motion Carried.

APPROVED AND ACCEPTED THIS 21ST DAY OF JANUARY AS THE OFFICIAL COPY OF THE JUNCTION CITY LAND BANK BOARD OF TRUSTEES MINUTES FOR DECEMBER 17TH, 2019.

Tammy Melton, Secretary

Chairman

Item Attachment Documents:

- c. Consider the offer from Sage Homes to purchase Lot 17, Block 12 of Olivia Farms Subdivision in the amount of \$1,000.

City of Junction City

Land Bank

Agenda Memo

01-21-2020

From: Lindsay Miller, Finance Director

To: Land Bank Board

Subject: Land Bank Offer

Objective: Consider offer to purchase Land Bank lot.

Explanation of Issue: Sage Homes, LLC is offering to purchase Lot 17, Block 12 of Olivia Farms Subdivision for \$1,000.00.

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

Staff Recommendation: Sell the lot.

Attachments: Sale Contract.

RESIDENTIAL REAL ESTATE SALE CONTRACT

1 **THIS CONTRACT is made between:**

2
3 **SELLER:** Junction City Land Bank (State marital status)

4
5 **BUYER:** Sage Homes, LLC

6
7 **BUYER TAKING TITLE AS:** ☐ JTWRORS OR ☐ Tenants in Common

8
9 **1. PROPERTY.** BUYER agrees to purchase and SELLER agrees to sell the real property and the
10 improvements (the "Property") commonly known as:

11 0000 Lucy Ct Junction City KS 66441 Geary
12 **Street Address** **City** **State** **Zip** **County**

13
14 **LEGAL DESCRIPTION:** (As described in the Legal Description Addendum or as described below)
15 **Lot 17, Block 12, Oliva Farms Subdivision**

16 *(Subject to easements and restrictions of record)*

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

19
20 **2. PURCHASE PRICE.** The **Purchase Price** for the **Property** is \$ 1,000.00
21 which BUYER agrees to pay as follows:

22
23 **a. Earnest Money in the form of: (check one)**

24 ☐ Personal check OR ☐ Other _____
25 in the amount of \$ _____ 0

26 Deposited with:

27 ☐ _____ Listing Broker

28 ☒ **Junction City Abstract & Title** Escrow/Closing Agent

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

31
32 **b. Total Amount financed** \$ _____

33
34 **c. Balance of Purchase Price to be paid on or before closing date** \$ 1,000.00

35
36 **3. CLOSING AND POSSESSION.** By March 6, 2020 ("Closing Date") SELLER shall
37 execute and deliver into escrow with the escrow/closing agent a general warranty deed or special warranty
38 deed, if applicable, and all other documents and funds necessary to satisfy SELLER'S obligations under
39 this Contract. By the closing date, BUYER shall execute and deliver to the escrow/closing agent all
40 documents (including any documents required by BUYER'S lender) and funds (including loan proceeds)
41 necessary to satisfy BUYER'S obligations under this Contract. **SELLER AND BUYER ACKNOWLEDGE**
42 **THAT ALL FUNDS REQUIRED FOR CLOSING MUST BE IN THE FORM OF CASHIER'S CHECK, WIRE**
43 **TRANSFER OR OTHER CERTIFIED FUNDS.** When all documents and funds have been executed and
44 delivered to the escrow/closing agent, the closing shall be completed. SELLER shall deliver possession of
45 the Property to BUYER on _____ at _____, ____ M., (If left blank, the Closing
46 Date at 5:00 P.M.) **BUYER shall not occupy the Property or place personal property in or on it prior**
47 **to completion of the Closing.**

48
49 **4. ADDENDA/CONTINGENCIES.** The following Addenda (riders, supplements, etc.) are attached and are
50 a part of this Contract (**Check Applicable**):

51
52 ☐ **Contingency for Sale and/or Closing Addendum**

53 ☐ **Seller's Disclosure Statement of Condition Addendum**

54 ☐ **Lead-Based Paint Addendum**

55 ☒ **Other: Addendum 1**

☒ **Other: Plat Map**

☐ **Other:** _____

☐ **Other:** _____

☐ **Other:** _____

56 **5. INCLUSIONS AND EXCLUSIONS**

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

61 Attic and ceiling fans	Garage door openers (<i>and remote</i>	Other Mirrors (<i>if attached</i>)
62 Bathroom mirrors (<i>attached &</i>	<i>transmitting units</i>)	Outside cooking units (<i>if attached</i>)
63 <i>unattached</i>)	Gas heaters	Owned propane tanks
64 Central air conditioning	Gas logs and fireplace grates	Shelving (<i>if attached</i>)
65 Central vacuum & attachments	Heating and plumbing equipment	Smart home devices (identify) _____
66 Fences (<i>incl. invisible & controls</i>)	(<i>and fixtures</i>)	(<i>if attached</i>)
67 Fire, smoke and burglary detection	Humidifiers (<i>if attached</i>)	Soft water conditioner (<i>if owned</i>)
68 units (<i>if owned</i>)	Keys to all doors	Storm windows, doors & screens
69 Fireplace screens and/or glass doors	Kitchen appliances (<i>built-in</i>)	TV antennas, mounts and satellite dishes
70 (<i>if attached</i>)	Lighting and light fixtures	(<i>if attached</i>)
71 Floor coverings (<i>if attached</i>)		Sprinkler systems & controls
72		Window blinds, rods and components
73		

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

77 **6. CASH SALE.** ☒ **Check if Cash Sale.** BUYER shall provide written verification of sufficient funds
78 available to close within _____ days (5 days if left blank) of the effective date of the contract. Buyer may,
79 within _____ days (0 days if left blank) of the effective date of the contract, at BUYER'S expense, obtain
80 an appraisal of the Property by an independent licensed appraiser.

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

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

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

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

111 ☐ **FHA LOAN:** Buyer shall not be obligated to complete the purchase of the property, or to incur any
112 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) _____
(In the event contract cancels BUYER will be responsible for paying the costs in section 7.b.) | \$ _____ |
| 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 & HOMEOWNER ASSOCIATION (HOA) DUES. 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 _____ .

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.

HOMEOWNER ASSOCIATION (HOA) DUES. BUYER acknowledges that HOA dues are currently in the amount of \$ _____ per year, and are subject to adjustment at the sole discretion of the HOA.

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.

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. 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

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.

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 Sage Homes, LLC	DATE
SELLER	DATE	BUYER	DATE
Coldwell Banker Mowry Custer Realtos		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)	
(785) 226-0438 /		(785) 226-0438 /	
Listing Licensee Phone # Fax #		Selling Licensee Phone # Fax #	
lance.custer@coldwellbanker.com		lance.custer@coldwellbanker.com	
Listing Licensee Email Address		Selling Licensee Email Address	
BR00052930		BR00052930	
Listing Agent License #		Selling Agent License #	
BR00052930		BR00052930	
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 Flint Hills 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 December 2019.

ADDENDUM 1

Addendum to contract dated _____ between:

_____ **Junction City Land Bank** _____ (Sellers) and
_____ **Sage Homes, LLC** _____ (Buyers) on property located
at _____ **0000 Lucy Ct, Junction City, KS 66441** _____

The reference number for the lot to be purchased is R1663.

Buyer understands that the lot has no electrical service in place and it shall be buyer's sole responsibility to obtain the electrical service.

Seller warrants that there are currently no special assessments associated with said lot.

Both parties agree that buyer shall not make an earnest deposit.

SELLER Junction City Land Bank	DATE	BUYER Sage Homes, LLC	DATE
SELLER	DATE	BUYER	DATE



FLINT HILLS
ASSOCIATION
OF REALTORS®

SELLER'S ESTIMATED PROCEEDS WORKSHEET

1 **SELLER:** Junction City Land Bank
 2 **PROPERTY:** 0000 Lucy Ct, Junction City, KS 66441
 3 **ESTIMATED CLOSING DATE:** March 6, 2020
 4 **PRICE:** \$ 1,000.00

5
 6 **LESS ITEMS TO BE PAID BY SELLER:**

7 1 st Mortgage /Deed of Trust	\$
8 2 nd Mortgage /Deed of Trust	\$
9 Other Encumbrance	\$
10 1 st Mtg. Interest Proration: From _____ to _____	\$
11 2 nd Mtg. Interest Proration: From _____ to _____	\$
12 Tax Proration: From _____ to _____	\$
13 Mortgage Prepayment Penalty	\$
14 Title Insurance Policy	\$ <u>120.00</u>
15 Closing and Escrow Fee	\$ <u>150.00</u>
16 Unpaid Assessments (if not assumed by buyer)	\$
17 Listing Commission	\$ <u>500.00</u>
18 Selling Commission	\$ <u>500.00</u>
19 Broker's Administrative Commission	\$
20 Marketing Fee	\$
21 Homes Association Dues	\$
22 Buyer's Closing Costs Paid by SELLER	\$
23 Costs not payable by Buyer*	\$
24 FHA/VA or Lender Discount Points	\$
25 Release of Lien Fees	\$
26 Home Warranty Fee	\$
27 Other	\$
28	
29 Total to be paid at Closing	\$ <u>1,270.00</u>
30 APPROXIMATE NET PROCEEDS	\$ <u>(270.00)</u>

31 **POTENTIAL ADDITIONAL EXPENSES**

32 Inspection Related Repairs	\$
33 Wood Infestation Treatment	\$
34 Other	\$

35
 36 The above items do not include any lender requirements, insurance prorations, or escrow balances to be paid or received
 37 by SELLER. Interest is paid in arrears and will vary according to the pay-off date. FHA and some lenders may charge
 38 interest through the end of the month in which payment is received by lender. SELLER is responsible for notifying his
 39 lender of his intent to pay-off the loan and assumes responsibility for any lender charges not included in the above items.
 40

41 **THESE ARE ESTIMATED COSTS ONLY. FINAL FIGURES WILL BE DETERMINED AT CLOSING.**

42 **SELLER:** _____ Date
 43 Junction City Land Bank
 44 **SELLER:** _____ Date
 45 _____
 46 **By:** _____ Date
 47 Licensee Lance Custer

48 *Some lending programs do not allow Buyer to pay tax service fees, underwriting fees, etc.

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 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.

Seller's Estimated Proceeds Worksheet 2008

Coldwell Banker Mowry Custer Realtors®, 522 N. Eisenhower Dr. Junction City KS 66441
 Custer

Phone: 7857624663 Fax: 7857622292
 Produced with ZipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

0000 Lucy Ct

RESOLUTION NO. 01-2020

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 SAGE HOMES, LLC.

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 Sage Homes, LLC 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 17, Block 12, Olivia Farms Subdivision to the City of Junction City, Kansas to Sage Homes, LLC.
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 21ST DAY OF JANUARY, 2020.

Chairman

ATTEST:

Tammy Melton, Secretary

SPECIAL WARRANTY DEED

THIS INDENTURE is made this ___ day of January, 2020, by and between the Junction City Land Bank, an independent agency and instrumentality of the City of Junction City, Kansas, as Grantor, and Sage Homes, LLC, as Grantee.

WITNESSETH, that Grantor, in consideration of the sum of One Thousand and no/100 Dollars (\$1,000.00), 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 17, Block 12, Olivia Farms Subdivision to the City of Junction City, 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: _____

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 _____, 2020, before me, a Notary Public in and for said state, personally appeared _____, 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:

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 17, Block 12, Olivia Farms Subdivision to the City of Junction City, 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
January 21, 2020

Item Attachment Documents:

- d. Consider the offer from Ismael Otano to purchase Lot 10, Block 10 of Sutter Highlands Subdivision in the amount of \$5,000.

City of Junction City

Land Bank

Agenda Memo

01-21-2020

From: Lindsay Miller, Finance Director

To: Land Bank Board

Subject: Land Bank Offer

Objective: Consider offer to purchase Land Bank lot.

Explanation of Issue: Ismael Otano is offering to purchase Lot 10, Block 10 of Sutter Highlands Subdivision for \$5,000.00. The Buyer is asking the Seller to pay for the title insurance and pay $\frac{1}{2}$ the Settlement Fee.

Options:

1. Accept the offer
2. Reject the Offer
3. Counter the Offer

Staff Recommendation:

Attachments: Sale Contract.

VACANT LAND REAL ESTATE SALE CONTRACT

THIS CONTRACT is made between:

SELLER: Junction City Land Bank (State marital status)

BUYER: Ismael Otano

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:

00000 Pintail Cir. Junction City KS 66441
Street Address (if available) City State Zip County

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

SUTTER HIGHLANDS SUB, BLOCK 10, LOT 10, SECTION 04 TOWNSHIP 12 RANGE 0

(Subject to easements, rights of way and restrictions of record)

There are no leasehold interests or tenant's rights in the subject property except as follows:

ZONING: Buyer takes the property subject to the current zoning classification.

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 Check
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 \$ 4,500.00

3. CLOSING AND POSSESSION: By March 30, 2020 ("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 place personal property on the property 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 Land Disclosure and Condition Addendum ☐ Other: _____

5. 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.

6. ~~FINANCING TERMS. NEW MORTGAGE:~~ This contract is contingent upon Buyer being approved for a mortgage loan on the subject property in an amount of up to \$ _____ from _____ at an interest rate of not more than _____ % per annum, for a term of _____ 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 the 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.

7. **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 9 of this Contract.

8. **MAINTENANCE:** Until possession or closing, whichever occurs earlier, SELLER shall maintain the Property in its present condition, remove all possessions, trash, debris and perform ordinary and necessary maintenance to the property.

9. **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.

10. **SURVEY:** BUYER may, at BUYER'S expense, obtain a legal survey of the property from an engineer/surveyor licensed in the State of Kansas 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. 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.

11. **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 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.

12. **TAX PRORATION, REASSESSMENT AND CLASSIFICATION:** The parties agree that all of the following which become due and accrue during the calendar year in which SELLER'S warranty deed is delivered shall be prorated between the parties as of the Closing Date and, for all years thereafter, all of the following, to the extent permitted by applicable law, shall be assumed and paid by BUYER, interest on

existing loans to be assumed by BUYER, 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. If the amount of any item to be prorated 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. However, if the preceding year's taxes were based on a lesser improved property, taxes will be computed and prorated based on the preceding year's mill levy at the current assessed value, if ascertainable. The parties agree that if the Property has been re-appraised or reclassified within the preceding year and the taxes based on the new value are not available, they will agree to a reasonable estimation of the current year's taxes based on the information available on the Closing Date. BUYER understands that the amount of taxes on the Property may change as a result of reassessment or classification, and the parties agree that neither SELLER nor the Broker shall be responsible for any adjustment or payment of the taxes to either SELLER or BUYER as a result of reassessment or classification.

13. SPECIAL ASSESSMENTS: In accordance with Kansas law, BUYER hereby 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 to BUYER a good faith estimation 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 _____.

14. 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, and inspectors. 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.

15. 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.

16. 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.

17. 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 inequity. 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.

18. 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.

19. ~~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.

20. **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.

21. **INSPECTIONS.** BUYER may, at BUYER'S expense, verify the existing zoning is appropriate for BUYER'S use, conduct environmental or other inspections within _____ days (14 if left blank), the inspection period, of the effective date of this contract. If BUYER'S inspections reveal unacceptable conditions, BUYER may cancel this contract and all earnest money shall be returned to BUYER. Or, BUYER and SELLER may negotiate an acceptable resolution of said conditions. If negotiations are not completed successfully within _____ days (5 if left blank) after SELLER'S receipt of BUYER'S offer to renegotiate, either may cancel this contract with written notice to the other. If BUYER fails to conduct inspections and provide a written report from a qualified third party inspector within the inspection period, BUYER shall have waived any rights provided by this inspection clause.

SELLER and BUYER jointly and severally agree to indemnify and hold the listing and selling brokers harmless any and all claims, actions, damages, liability and expense including, but not limited to, attorneys and professional fees incurred in connection with any preventative, remedial or other clean-up action necessary to comply with all applicable federal, state, and local environmental laws, rules, regulations or ordinances. SELLER warrants that to the best of SELLER'S knowledge and belief after due inquiry, the property complies with and SELLER is not in violation of and has not violated any applicable federal, state and local environmental laws, rules, regulations or ordinances.

Subject to any inspections permitted by the terms hereof, and cancellation of this agreement as allowed herein, BUYER agrees to purchase the property in its present condition only, without representations, warranties or guarantees of any kind by SELLER or any real estate licensee concerning the condition or value of the property. BUYER understands it has been suggested that inspections be performed, that it is important for BUYER to independently investigate conditions at the property and that neither the SELLER nor real estate licensees involved, are experts at detecting or advising on conditions existing at the property. Any express warranty or representation by SELLER or the real estate licensees is specifically set out herein:

22. **AGENCY DISCLOSURE.** SELLER AND BUYER 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 AND BUYER 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.

B. Licensee assisting BUYER is functioning as:

- ☐ BUYER'S Agent
☒ Designated BUYER'S Agent (Supervising Broker acts as a Transaction Broker)

Vacant Land Real Estate Sale Contract - 2017

Page 4 of 5

- ☐ 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.

23. **SOURCE OF COMPENSATION.** Brokerage fees, to include but not be limited to broker commissions and other fees, shall be paid out of escrow at Closing by ☒ SELLER and, or, ☐ BUYER unless otherwise described in the terms of the respective agency agreements or other SELLER/BUYER agreements. SELLER and BUYER understand and agree that Brokers may be compensated by more than one party in the transaction.

24. **ADDITIONAL TERMS AND CONDITIONS.**

25. **EXPIRATION.** This offer shall expire on February 3, 2020, at 5 o'clock p.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 Ismael Otano

DATE

SELLER

DATE

BUYER

DATE

Coldwell Banker Mowry Custer REALTORS

Name of Listing Brokerage (Please Print)

NextHome Unlimited

Name of Selling Brokerage (Please Print)

Lance Custer

Name of Licensee Assisting Seller (Please Print)

Jason Boyer

Name of Licensee Assisting Buyer (Please Print)

(785)227-0438

Listing Licensee Phone # Fax #

(785)226-4859

Selling Licensee Phone # Fax #

(785)762-4635

lance.custer@coldwellbanker.com

Listing Licensee Email Address

jason@nexthomeunlimited.com

Selling Licensee Email Address

BR00052930

Listing Agent License #

BR00225967

Selling Agent License #

BR00052930

Supervising Broker License #

BR00230803

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 Flint Hills 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 October 2017.

Vacant Land Real Estate Sale Contract - 2017

Page 5 of 5



SELLER'S ESTIMATED PROCEEDS WORKSHEET

1	SELLER: <u>Junction City Land Bank</u>	
2	PROPERTY: <u>0000 Pintail Cir, Junction City, KS 66441</u>	
3	ESTIMATED CLOSING DATE: <u>February 5, 2020</u>	
4	PRICE:	\$ <u>5,000.00</u>
5		
6	LESS ITEMS TO BE PAID BY SELLER:	
7	1st Mortgage /Deed of Trust	\$
8	2nd Mortgage /Deed of Trust	\$
9	Other Encumbrance	\$
10	1st Mtg. Interest Proration: From _____ to _____	\$
11	2nd Mtg. Interest Proration: From _____ to _____	\$
12	Tax Proration: From _____ to _____	\$
13	Mortgage Prepayment Penalty	\$
14	Title Insurance Policy	\$ <u>120.00</u>
15	Closing and Escrow Fee	\$ <u>150.00</u>
16	Unpaid Assessments (if not assumed by buyer)	\$
17	Listing Commission	\$ <u>500.00</u>
18	Selling Commission	\$ <u>500.00</u>
19	Broker's Administrative Commission	\$
20	Marketing Fee	\$
21	Homes Association Dues	\$
22	Buyer's Closing Costs Paid by SELLER	\$
23	Costs not payable by Buyer*	\$
24	FHAVA or Lender Discount Points	\$
25	Release of Lien Fees	\$
26	Home Warranty Fee	\$
27	Other	\$
28		
29	Total to be paid at Closing	\$ <u>1,270.00</u>
30	APPROXIMATE NET PROCEEDS	\$ <u>3,730.00</u>
31	POTENTIAL ADDITIONAL EXPENSES	
32	Inspection Related Repairs	\$
33	Wood Infestation Treatment	\$
34	Other	\$
35		

The above items do not include any lender requirements, insurance prorations, or escrow balances to be paid or received by SELLER. Interest is paid in arrears and will vary according to the pay-off date. FHA and some lenders may charge interest through the end of the month in which payment is received by lender. SELLER is responsible for notifying his lender of his intent to pay-off the loan and assumes responsibility for any lender charges not included in the above items.

THESE ARE ESTIMATED COSTS ONLY. FINAL FIGURES WILL BE DETERMINED AT CLOSING.

SELLER: _____ Date _____
Junction City Land Bank
SELLER: _____ Date _____
By: _____ Date _____
Licensee Lance Custer

*Some lending programs do not allow Buyer to pay tax service fees, underwriting fees, etc.

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 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.

Seller's Estimated Proceeds Worksheet 2008

Coldwell Banker Mowry Custer Realtors®, 522 N. Eisenhower Dr. Junction City KS 66441

Phone: 7857624663

Fax: 7857622292

0000 Pintail Cir

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

RESOLUTION NO. 02-2020

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 ISMAEL OTANO.

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 Ismael Otano 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 Block 10, Lot 10, Sutter Highlands Subdivision, A Replat of Falcon Meadows Addition Unit No. 1 and A Final Plat of an adjacent tract in the City of Junction City, Geary County, Kansas to Ismael Otano.
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 21ST DAY OF JANUARY, 2020.

Chairman

ATTEST:

Tammy Melton, Secretary

SPECIAL WARRANTY DEED

THIS INDENTURE is made this ___ day of January, 2020, by and between the Junction City Land Bank, an independent agency and instrumentality of the City of Junction City, Kansas, as Grantor, and Ismael Otano, 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:

Block 10, Lot 10, Sutter Highlands Subdivision, A Replat of Falcon Meadows Addition Unit No. 1 and A Final Plat of an adjacent tract 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: _____

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 _____, 2020, before me, a Notary Public in and for said state, personally appeared _____, 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:

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:

Block 10, Lot 10, Sutter Highlands Subdivision, A Replat of Falcon Meadows Addition Unit No. 1 and A Final Plat of an adjacent tract 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
January 21, 2020