CITY OF COFFEYVILLE
BOARD OF COMMISSIONERS AGENDA ITEM

MEETING DATE	November 25, 2014	
RESOLUTION OR ORDINANCE NUMBER	R-14-88	
AGENDA TITLE	A Resolution to sell 503 Centennial to Craig W. and Tamara M. Males	
REQUESTING DEPARTMENT	Administration	
PRESENTER	Cindy Price	
FISCAL INFORMATION	Cost as recommended:	n/a
	Budget Line Item:	
	Balance Available	
	New Appropriation Required:	[ ] Yes [X] No
PURPOSE	Approve the sale of 503 Centennial to Craig and Tamara Males.	
BACKGROUND	On October 28, 2014, Commissioners approved accepting an offer from Craig and Tamara Males on 503 Centennial of $75,000 less closing costs. This property was purchased in October, 2013, with KHRC grant funds. This resolution will approve the sale of the property. The proceeds from the sale will go back to the KHRC grant fund.	
SPECIAL NOTES		
ANALYSIS		
PUBLIC INFORMATION PROCESS		
BOARD OR COMMISSION RECOMMENDATION		

Item # I-1

STAFF RECOMMENDATION	Approve Resolution No. R-14-88 to sell 503 Centennial to Craig W. and Tamara M. Males.
REFERENCE DOCUMENTS ATTACHED	R-14-88 Contract for sale of property.

RESOLUTION NO. R-14-88

A RESOLUTION TO AUTHORIZE THE MAYOR AND CITY CLERK TO EXECUTE A REAL ESTATE SALES CONTRACT AND ALL RELATED DOCUMENTS FOR 503 CENTENNIAL AVENUE TO CRAIG W. AND TAMARA M. MALES

WHEREAS, the City of Coffeyville, Kansas, is the owner of the following described property located in Montgomery County, Kansas:

Lot 2, Block 2, Tyler Gardens Sixth Addition to the City of Coffeyville, Montgomery County, Kansas, commonly known as 503 Centennial Avenue.

WHEREAS, the City of Coffeyville purchased this property with KHRC grant funds; and

WHEREAS, Craig W. and Tamara M. Males have offered to purchase said property for the sum of $75,000 less closing costs; now therefore

BE IT RESOLVED by the Board of Commissioners of the City of Coffeyville, Kansas, that the Mayor and City Clerk be and are hereby authorized and directed to execute a Real Estate Sales Contract and such other documents necessary for the conveyance of said property to Craig W. and Tamara M. Males.

Adopted this 25th day of November, 2014.

_____
James Falkner, Mayor

ATTEST:

_____
Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
Paul Kritz, City Attorney

REAL ESTATE CONTRACT

THIS REAL ESTATE CONTRACT made and entered into as of this _____ day of November 2014, by and between the City of Coffeyville, Kansas, a municipal corporation, hereinafter referred to as "SELLER," and CRAIG W. MALES and TAMARA M. MALES, husband and wife, hereinafter referred to as "BUYERS," WITNESSETH:

FOR GOOD AND VALUABLE CONSIDERATION, SELLER and BUYERS agree as follows:

1. Real Estate Sold. SELLER agrees to sell and BUYERS agree to buy the following described real estate situated in Montgomery County, Kansas, to-wit:

> Lot 2, Block 2, Tyler Garden's 6th Addition to the City of Coffeyville,

together with any improvements thereon, subject to the terms and conditions stated in this contract.

2. Purchase Price. The purchase price is $75,000.00, payable at closing.

3. Contingencies. (a) This sale is subject to and contingent upon BUYERS obtaining a first mortgage loan to purchase the real estate at prevailing rates. BUYERS shall apply for the loan within ten (10) days following the execution of this contract and shall use their best efforts to obtain said financing. In the event BUYERS do not qualify for a loan, this Agreement shall be canceled and neither party shall have any further obligations hereunder. (b) BUYERS shall have up to twenty-one (21) calendar days after this contract is executed to conduct such inspections of the property as BUYERS shall deem necessary or desirable, at BUYERS sole cost. Upon completion of said inspections, BUYERS shall have the right to cancel this contract by notifying SELLER of their intention to do so, in writing, within seven (7) calendar days from expiration of the inspection period. In that event, a copy of any inspection report(s) received by BUYERS shall be provided to SELLER and neither party shall have any further obligations hereunder.

4. Closing and Possession. The sale shall be closed within sixty (60) days from the date of this contract unless said closing date is extended by written consent of SELLER and BUYERS, or additional time is required for SELLER to provide marketable title. BUYERS shall take possession at closing.

5. Taxes. Taxes shall be prorated to the date of closing.

6. Property Included. The real estate described herein shall include all structures, appurtenances, permanent improvements and fixtures belonging thereto, if any.

7. Condition of Property. Subject to the BUYERS' inspection right set forth in Section 3(b) above, BUYERS are fully aware of the condition of the property and accept it AS IS, WHERE IS, and IN ITS PRESENT CONDITION. BUYERS acknowledge that SELLER has made no guarantees or representations regarding the condition of the property in order to induce BUYERS to purchase the property.

8. Disclosures. BUYERS acknowledge receiving a copy of the radon, lead-based paint and Megan's law disclosures.

9. Deed. SELLER shall convey marketable title by a proper deed and other necessary documents to complete this transaction, which shall be delivered to BUYERS at closing, upon receipt of the total purchase price, free of all liens and encumbrances EXCEPT:

(a) Deed restrictions and easements of record; and
(b) Encumbrances created by BUYERS.

10. Title Evidence. Upon confirmation that BUYERS have qualified for a loan per Section 3(a) above, SELLER shall make available to BUYERS a standard owner's preliminary title insurance report, and after closing of this agreement, a standard owner's title insurance policy which will insure BUYERS against loss or damage to the extent of the total purchase price by reason of defects in the title of SELLER to said real estate, subject to any exceptions contained in this agreement. Upon delivery of said preliminary owner's title insurance report, BUYERS shall have a reasonable time, not to exceed five (5) working days, to examine the same and return the same to SELLER with any written objections concerning the marketability of the title or the same shall be deemed waived. If the SELLER shall be unable to deliver marketable title as herein provided, this agreement shall be null and void; provided, however, SELLER shall have a reasonable time, not to exceed 120 days, to satisfy any valid objections to title.

11. Liens. SELLER represents and warrants that there are no unpaid bills for labor or material that might form the basis of a mechanic's lien against said premises, and that there are no unpaid chattel mortgages, conditional sales contracts, financing statements or security agreements affecting any fixture, portion of the premises or item of personal property covered by this agreement, and shall indemnify and hold BUYERS harmless from any obligation for payment of any amounts by reason of any mechanic's liens which may be filed for labor performed or material furnished prior to the closing of this agreement.

12. Closing Costs. SELLER agrees to pay all closing costs, excluding any "points" BUYERS may elect to pay in order to discount the mortgage loan interest rate and any other financing costs/charges incurred by BUYERS.

13. Default. If BUYERS fail to perform any of the covenants contained in this contract, SELLER shall be entitled to seek specific performance, or such other remedy or remedies as may be available under the laws of the state of Kansas. If SELLER fails to

perform any of the covenants contained in this contract, the BUYERS may seek specific performance, or such other remedy or remedies as may be available under the laws of the state of Kansas.

14. No Other Agreements. This agreement constitutes the entire contract between the parties, and there are no representations, warranties, conditions, or agreements other than those expressly stated herein.

15. Heirs and Assigns. This agreement shall extend to and become binding upon the heirs, executors, administrators, successors, and assigns of the respective parties.

IN WITNESS WHEREOF, the parties have subscribed their names the day and year first above written.

SELLER – CITY OF COFFEYVILLE	BUYERS
_____	_____
James Falkner, Mayor	Craig W. Males
Attest:	
_____	_____
Cindy Price, City Clerk	Tamara M. Males