



Contract to Purchase and Develop a Commercial Property

Thank you for your interest in purchasing and developing a commercial property from the Lucas County Land Bank. Developing a vacant and abandoned commercial property and making it productive again is a complex endeavor, but the Land Bank believes it is worth it.

Although every commercial property is different and no one-size-fits-all arrangement can be made, you will make three major commitments to us in this contract.

- ✓ You will tell us how you intend to use this property after development
- ✓ You will provide us with a full development plan to return the property to productive use
- ✓ You will demonstrate a plan to fund the purchase and development of the property

Please complete all pages in this contract so that we can review and consider your offer.

Property: _____
Street Address City Zip Parcel

Business Entity: _____

Owner/Representative: _____

Mailing Address: _____

City, State, Zip: _____

Best Phone Number: _____

Email: _____

Name of Broker/Agent (if any): _____

Name of Legal Counsel (if any): _____

Eligibility Review:

- Do you owe delinquent property taxes on any property you or the business own? Yes No
- Do you have any delinquent obligations that could become a lien on this property? Yes No

Examples include delinquent federal or state taxes, pending litigation, delinquent water bills, etc.

Purchaser's Initials _____ **Seller's Initials** _____

Development Project Information:

You will need to provide all of the information requested below before the Land Bank will close on this purchase – and some of the information may need to be provided prior to the Land Bank accepting this offer. By initialing in each box below, you are acknowledging that you understand that providing this information is a condition of the Land Bank accepting your offer or closing on the purchase of this property.

A. Use of the Property

You must provide a written, specific description of the intended use of the property following completion of development work. For example: will you use the property for your own business? Will you develop the property for lease or sale? The use must be consistent with current zoning or contingent on an application for re-zoning or a special use permit.

(please initial)

I will provide a written description of the intended use of the Property.

B. Development Plan for the Property

You must provide a detailed development plan for the property. This plan should include the following:

- An itemized list of the development work to be completed, including HVAC, electrical, plumbing, roof, foundation, demolition, interior build-out and all other relevant items. Include contractor quotes.
- An itemized breakdown of costs corresponding with the list of the development work to be completed, including a total for all work. Include contractor quotes.
- A proposed timeline for the completion of the development work. Including timelines for the pre-development period, development period (including hard construction), and any financing timelines.

(please initial)

I will provide a detailed development plan for the property.

C. Development Team

You must provide a list of key development team members for this project. Include your general contractor or project manager, business partners, and any other supporting members (ex: environmental, architect, legal, real estate agent).

(please initial)

I will provide a list of key development team members for the project.

D. Funding Plan

You must provide verifiable sources of funding to purchase and develop the property consistent with your development plan. Include a statement of assets, lender pre-approval letter, or other verifiable sources.

(please initial)

I will provide verifiable sources of funding to purchase and develop the property.

Purchaser's Initials _____ Seller's Initials _____

**Lucas County Land Bank
COMMERCIAL REAL ESTATE PURCHASE AGREEMENT**

This Commercial Real Estate Purchase Agreement ("Agreement") is made between **PURCHASER**, having an address of **PURCHASER'S ADDRESS** ("Purchaser"), and the Lucas County Land Reutilization Corporation, a community improvement corporation, having an address of One Government Center, Suite 580, Toledo, Ohio 43604 ("Seller"), as of the date of the last of Purchaser's or Seller's signature to this Agreement.

1. **OFFER.** Purchaser offers to buy from Seller the real estate located at **ADDRESS & PARCEL** and further described in **Exhibit A** ("Property") on the terms contained in this offer ("Offer"). Upon delivery of the executed acceptance ("Acceptance"), this Offer will become a legally binding contract.
2. **PRICE.** The Purchase Price will be \$ _____ payable at Closing in cash, certified funds, or wire transfer in immediately available funds.
3. **EARNEST MONEY.** Seller does not request and Purchaser will not pay any earnest money as part of this Agreement.
4. **INSPECTIONS AND TITLE.** Within **thirty (30) days** after Acceptance, Purchaser shall examine the condition of the Property and title as provided in the following paragraphs.

4A. Inspections. Seller shall give Purchaser and Purchaser's agents reasonable access to the Property to inspect the Property, survey the Property, or obtain a report of an environmental audit of the Property at Purchaser's sole cost. Purchaser will be responsible for any damage to the Property caused by Purchaser or Purchaser's agents during any inspections. Purchaser acknowledges that it shall rely on its independent investigation to determine the condition of the Property and shall not rely solely on any representation of Seller or Seller's agents as to the character, condition, or value of the Property.

4B. Condition of the Property. Purchaser acknowledges that the Property includes the land and all appurtenant rights, privileges, and easements, and all buildings and fixtures as are NOW on the Property without limitation; and, that the Property is being sold AS IS, WHERE IS, AND WITH ALL FAULTS; and, that Purchaser accepts the Property in such condition. Purchaser acknowledges that the condition of the Property may include both patent and latent defects and without limitation: structural instability; major system defects, including without limitation defects involving the electrical, mechanical, plumbing, roofing, water, sewer, septic, foundation or related systems; and basement moisture, leaks, or flooding. Seller makes no representations whatsoever regarding the existing of any potential environmental hazards in or around the Property, and Purchaser waives any claims against Seller for any harmful effects arising from the Property and agrees to hold Seller harmless from any federal or Ohio environmental liability claims related to the Property. These potential environmental hazards include without limitation: lead based paint, asbestos, urea-formaldehyde foam insulation, radon gas, mold or black mold, mercury, or any other potentially toxic substances.

4C. Evidence of Title. Seller shall deliver to Purchaser evidence of title in the form of a commitment ("Commitment") for a title guarantee by a title company chosen by Seller continued to the date of Closing in the amount of the Purchase Price. The Commitment shall show that Seller can convey the Property free and clear from all liens and encumbrances except for: (a) easements, agreements, and restrictions of record that will not unreasonably interfere with Purchaser's intended use of the Property, (b) zoning ordinances, (c) liens or encumbrances to be canceled or released by Seller at Closing, and (d) those created or assumed by Purchaser. If the Commitment reveals any other title defects, Seller will have thirty (30) days after demand by Purchaser to remove such defects and closing will be delayed accordingly. If Seller is unable or unwilling to remove the defects, Purchaser may accept title subject to such defects or may terminate this Agreement as provided for in this Agreement. Seller and Purchaser will share equally the costs of the Commitment. If the Property has forfeited to the State of Ohio, Seller represents that it has the statutory authority to acquire title as described in this paragraph after notice to the Lucas County Auditor.

5. **DEVELOPMENT OBLIGATIONS.** Purchaser agrees to renovate and develop the Property into **PURCHASER'S DEVELOPMENT PLAN** and secure a Certificate of Occupancy from the relevant local jurisdiction within **DAYS FOR DEVELOPMENT** from the date of Closing, subject to delays outside of the

Purchaser's Initials _____ Seller's Initials _____

reasonable control of Purchaser (the "Development Period"). Seller shall not unreasonably withhold an extension of the Development Period for an additional **DAYS** so long as development work is ongoing.

Upon obtaining a Certificate of Occupancy from the relevant local jurisdiction for the Property, Purchaser shall immediately deliver a copy of the Certificate to Seller.

Purchaser grants Seller and its agents access to the Property for purposes monitoring and documenting the development of the Property until Purchaser satisfies the obligations of this Agreement. Purchaser agrees to comply with all federal, state, and local ordinances and regulations in the course of undertaking renovation work to the Property.

6. **RENOVATION ENFORCEMENT NOTE AND MORTGAGE; DEFAULT.** Purchaser agrees to execute a Renovation Enforcement Note and Mortgage granting Seller a security interest in the Property in the amount of one hundred twenty-five thousand dollars and no cents (\$125,000.00) (the "Indebtedness"), until such time as all of Purchaser's obligations under this Purchase Agreement are satisfied.

When Purchaser delivers a copy of the Certificate of Occupancy from the relevant local jurisdiction for the Property, satisfies all other obligations of local, state and federal law with respect to the Property as applicable, and is not otherwise in Default, Seller will record a Satisfaction of Mortgage releasing the Property from the obligations secured by the Renovation Enforcement Note and Mortgage.

If Purchaser fails to meet the obligations of this Agreement by the end of the Development Period, or after a reasonable extension of time provided by Seller, or is in violation of the terms of the Renovation Enforcement Note and Mortgage, or is otherwise in violation of this Agreement, Purchaser will be in default of the Renovation Note and Mortgage and this Agreement (a "Default"). Purchaser will be notified by Seller in writing of the defects which have triggered a Default and will be given fifteen (15) business days to cure such defects.

IF A DEFAULT IS NOT CURED AFTER NOTICE AND A REASONABLE OPPORTUNITY TO CURE, PURCHASER'S FULL INDEBTEDNESS TO SELLER WILL BECOME DUE AND PAYABLE, AND SELLER WILL HAVE THE RIGHT TO FORECLOSE ON THE PROPERTY UNDER THE TERMS OF THE RENOVATION ENFORCEMENT NOTE AND MORTGAGE, AND TO PURSUE ALL OTHER AVAILABLE REMEDIES.

In the event of a Default and in lieu of foreclosure or payment of the Indebtedness, Purchaser may convey marketable title in the Property back to Seller, in which case Purchaser will be responsible for payment of any third party liens, encumbrances, penalties, charges, and assessments that have accrued against the Property during Purchaser's ownership of the Property. Purchaser's obligations under this provision will be absolute and unconditional without defense or set-off by reason of any default by Seller, or for any other reason. Purchaser agrees to indemnify and hold Seller harmless for any and all penalties, assessments, and costs that Seller may incur to repossess the Property, quiet title, or evict tenants, whether or not such tenants are in the Property lawfully.

In addition to the events triggering a Default described above, the following events will trigger a Default if such events occur during the Renovation Period or prior to Seller's confirmation that the Property is safe and habitable and compliant with the Ordinance and without the express written permission of Seller:

- a. Purchaser occupies the Property or allows a third party to occupy the Property;
 - b. Purchaser sells or leases the Property, in whole or in part, to a third party;
 - c. Purchaser further encumbers the Property with a mortgage, lien, or other interest, whether voluntary or involuntary;
 - d. Purchaser fails to make property tax payments on the Property when due; or
 - e. Purchaser abandons the Property, or Purchaser is incarcerated, subject to community control, adjudicated incompetent, or deceased.
7. **CONDITIONS TO CLOSE.** Purchaser's obligations under this Agreement and Seller's obligation to close are subject to the satisfaction of the conditions provided in the following paragraphs within **ninety (90) days** after Acceptance.

Purchaser's Initials _____ Seller's Initials _____

7A. Development Plan. Purchaser shall deliver a development plan to Seller that documents the specific intended use for the Property, the renovations and improvements to the Property, the development team supporting the development, the sources and uses of funding for the development, and the development timeline. At Seller's discretion and before delivery of the development plan, Purchaser will attend a pre-development meeting with Seller and representatives of the local jurisdiction that will oversee and regulate the development of the Property to better facilitate the development work.

7B. Financing. Purchaser shall demonstrate funding or obtain financing necessary to complete the development work on the Property and deliver documentation of these sources of funding to the satisfaction of Seller.

7C. Zoning. Purchaser shall obtain re-zoning or other land use approval necessary to use the Property in the manner outlined in Purchaser's development plan.

8. **CLOSING AND POSSESSION.** Closing will be held on or before a date mutually agreeable to the parties and as soon as but no later than DAYS after Purchaser has met, to the satisfaction of Seller, all conditions to closing in this Agreement. Time is of the essence in this Agreement. Possession will be granted at closing, subject to the rights of tenants, if any, as disclosed in writing separately by Seller.
9. **PROPERTY INSURANCE; RISK OF LOSS.** Seller may, but will not be required to, maintain property insurance on the Property until closing. If any buildings or other improvements on the Property are materially damaged or destroyed by reason of fire or other casualty prior to closing, this Agreement will terminate without further obligation of the parties and Purchaser will not be entitled to proceeds of any insurance payable in connection with Seller's loss of the Property. Purchaser acknowledges that property insurance is the sole responsibility of Purchaser following closing and possession, and Seller bears no responsibility for loss to Purchaser resulting from the lack of property insurance.
10. **DEED.** Seller will convey title in the Property to Purchaser in fee simple by a limited warranty deed.
11. **PROPERTY TAXES AND CLOSING COSTS.** Seller represents that the Property is exempt from ad valorem property taxation, conveyance fees, and recording fees under Ohio law while owned or transferred by Seller, and Seller will neither pay nor prorate any taxes or fees against the Property at closing. Seller will pay the transfer entry fee mandated by Ohio law for the Property. The tax exempt status of the Property will continue following closing for the remainder of the calendar year in which the Property is sold. The Property will be restored to taxable status on January 1 of the year following the year in which the Property is sold. To the extent provided for by law, Purchaser will be responsible for all taxes due and payable against the Property following closing.
12. **MARKETING.** Upon satisfaction of the Renovation Enforcement Note and Mortgage, Purchaser grants Seller the ability to place removable signage for a reasonable period in the front of the Property identifying it as a project supported by Seller and a non-exclusive and irrevocable license to publish photos of the Property in Seller's discretion without further notice to Purchaser.
13. **BROKERAGE DISCLAIMER.** Purchaser and Seller acknowledge that no broker or agent involved in this transaction has made any representations concerning the Property upon which Purchaser or Seller has relied. Brokers are expressly authorized to provide information to third parties concerning any Seller concessions or other consideration that is a part of this Agreement but not reflected in the Purchase Price.
14. **PROPERTY MAINTENANCE AND UTILITIES.** Seller will maintain the Property in its current condition as practicable as possible pending closing. Seller will pay for all utilities to date of transfer of possession, if any, and will notify Purchaser of the date for final readings in order to assist Purchaser with such utility transfers.
15. **TERMINATION; SURVIVABILITY.** Seller or Purchaser may terminate this Agreement prior to closing with two days written notice to the other party for good cause shown. Good cause includes, without limitation, Purchaser's unwillingness or inability to honor the terms of the Agreement or Seller's good faith belief that Purchaser will be unable to honor the terms of the Agreement. If Purchaser terminates this Agreement without good cause shown, Seller reserves the right to withhold review of future offers from Purchaser. This Agreement will survive and remain in full effect following transfer of title from Seller to Purchaser and until all obligations of Purchaser made to Seller are satisfied.

Purchaser's Initials _____ Seller's Initials _____

16. **GENERAL PROVISIONS.** The following provisions apply to all paragraphs of this Agreement: (a) upon Acceptance, this Agreement will be binding upon each of the parties and their respective heirs, legal representatives, successors, and assigns; (b) this Agreement may not be assigned by Purchaser without the prior written consent of Seller; (c) this Agreement will be governed by and interpreted under the laws of the State of Ohio; (d) time is of the essence in the interpretation and implementation of this Agreement; (e) by signing this Agreement, Purchaser and Seller each represent that they are of legal age and capacity and have all requisite authority to enter into this Agreement; (f) this Agreement may be executed in counterparts, each of which will constitute an original; (g) this Agreement may be executed by the parties, or either of them, by electronic signature; (h) any notices required by this Agreement will be in writing and delivered by any customary means and will be deemed given by actual receipt or two days after delivery, whichever comes first; (i) receipt of any notice required by this Agreement by Purchaser's agent will be deemed receipt of the notice by that party; (j) "days" means calendar days; and (k) this Agreement contains the entire agreement between the parties and there are no agreements, representations, or warranties, oral or written, which are not set forth in this Agreement itself.
17. **ATTORNEY REVIEW.** This Agreement is subject to rescission in writing by Purchaser and Seller after review by their respective attorneys within three days after Acceptance (excluding Saturdays, Sundays, and federal holidays). **FAILURE TO RESCIND WITHIN SUCH PERIOD WILL CONSTITUTE A WAIVER OF THE RIGHT OF RESCISSION.**
18. **ADDITIONAL TERMS.** Any additional terms to this Agreement must be provided below, or attached as a separate writing that references the Property and the parties, and be signed and dated by both parties to be effective.

PURCHASER

Lucas County Land Reutilization Corp.

By: Purchaser's Representative

By: David Mann, President or his designee, for the Lucas County Land Reutilization Corporation

Purchaser's Broker/Agent

Seller's Broker/Agent

ANY CHANGES TO ORIGINAL OFFER OR THIS PRINTED AGREEMENT MUST BE INITIALED BY SELLER AND PURCHASER TO BE EFFECTIVE.

Purchaser's Initials _____ Seller's Initials _____

EXHIBIT A

Legal Description of the Property

Legal:

Address:
Parcel:

Purchaser's Initials _____ Seller's Initials _____