

June 29, 2005

TO: John Szerlag, City Manager

FROM: Brian Murphy, Assistant City Manager/Services
Douglas Smith, Real Estate & Development Director 

RE: AGENDA ITEM - REQUEST FOR APPROVAL OF PURCHASE
AGREEMENT FOR ACQUISITION OF PROPERTY ADJACENT TO
HISTORIC GREEN – KATHARYN L. JENSEN
SIDWELL #88-20-16-478-027

On January 24, 2005 City Council approved an agreement between Harriet Barnard and the City of Troy for the donation of her house currently located at 5945 Livernois. This donation requires that the house be relocated to the Troy Museum and Historic Green within five years. It was recommended that both parcels to the west of the Museum and Historic Green be acquired for expansion and proper accommodation of the structure, plus additional parking. The goal of the Troy Historical Society's Heritage Campaign is to raise funds during the next five years to support five new projects including the acquisition of this property.

An agreement has been reached with Katharyn L. Jensen, owner of the property at 100 West Wattles Road. This parcel is the second of the two parcels recommended for acquisition. The agreed upon compensation of \$180,000 has been reviewed and approved by Kimberly Harper and Pat Petitto, both State Licensed Appraisers.

In order for the City to proceed with the proposed project, management requests that City Council approve the attached Purchase Agreement in the amount of \$180,000, plus closing costs.

Monies for this project will come from the Troy Historical Society Heritage Campaign.

Prepared by: Patricia A. Petitto, Senior Right of Way Representative

CITY OF TROY
AGREEMENT TO PURCHASE REALTY
FOR PUBLIC PURPOSES

The CITY OF TROY (the "Buyer"), agrees to purchase from Katharyn L. Jensen (the "Seller"), the following described premises (the "Property"):

LOT 130, EXCEPT THE SOUTH 27.00 FEET TAKEN FOR WATTLES ROAD, LAKEWOOD SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN LIBER 28, PAGE 27 OF PLATS, OAKLAND COUNTY RECORDS.

for a public project within the City of Troy and to pay the sum of One Hundred, Eighty Thousand and no/100 Dollars (\$180,000) under the following terms and conditions:

1. A deposit of 10% of the Purchase Price shall be held by the Seller and applied to the purchase price if the sale is consummated. The Seller shall not be responsible to the Purchaser for any interest associated with the subject deposit. Deposit will be returned to the Purchaser if through no fault of the purchaser, the transaction cannot be completed. Deposit will be given to the Seller if the Purchaser defaults or otherwise fails to complete the transaction.
2. Seller shall assist Buyer in obtaining all releases necessary to remove all encumbrances from the property so as to vest a marketable title in Buyer.
3. Seller shall pay all taxes, prorated to the date of closing, including all special assessments, now due or which may become a lien on the property prior to the conveyance.
4. Seller shall deliver the Warranty Deed upon payment of the purchase money by check drawn upon the account of the City of Troy.
5. Buyer shall, at its own expense, provide title assurance information to the Buyer, and the Seller shall disclose any encumbrances against the property.
6. This Agreement is binding upon the parties and closing shall occur not sooner than one (1) year and within three (3) years of the date that this agreement is approved by Troy City Council; and all liens have been released and encumbrances have been extinguished to the satisfaction of the Buyer, unless extended by agreement of the parties in writing. It is further understood and agreed that this period of time is both for the preparation and authorization of purchase money and for the Seller to finalize plans to relocate.
7. Buyer shall notify the Sellers immediately of any deficiencies encumbering marketable title, and Seller shall then proceed to remove the deficiencies. If the Seller fails to remove the deficiencies in marketable title to Buyer's approval, the Buyer shall have the option of proceeding under the terms of this Agreement to take title in a deficient condition or to render the Agreement null and void, and any

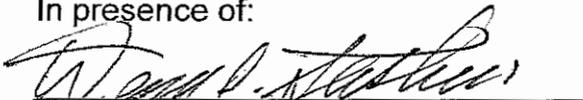
deposit tendered to the Sellers shall be returned immediately to the Buyer upon demand.

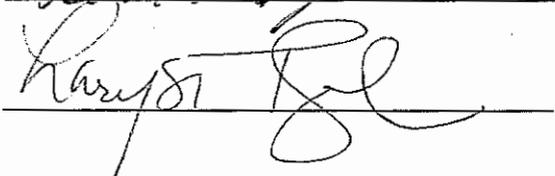
8. The City of Troy's sum paid for the property being acquired represents the property being free of all environmental contamination. Although the City of Troy will not withhold or place in escrow any portion of this sum, the City reserves its rights to bring Federal and/or State and/or local cost recovery actions against the present owners and any other potentially responsible parties, arising out of a release of hazardous substances at the property.
9. Seller acknowledges that this offer to purchase is subject to final approval by Troy City Council.
- 10.. Additional conditions, if any: Seller will give buyer three weeks notice when they are ready to close.

SELLER HEREBY ACKNOWLEDGES THAT NO PROMISES WERE MADE EXCEPT AS CONTAINED IN THIS AGREEMENT.

IN WITNESS WHEREOF, the undersigned hereunto affixed their signatures this 24th day of MAY, A.D. 20 05 .

In presence of:

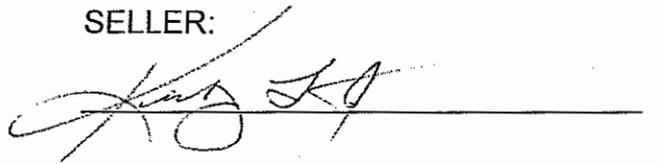




CITY OF TROY (BUYER)



SELLER:



Troy Historical Society
Board of Trustees Meeting, June 14, 2005

Moved by: Randol
Seconded by: Rounds

RESOLVED, that the Troy Historical Society agrees to pay for the acquisition by the City of Troy of the property adjacent to the Troy Museum & Historic Village identified as Katharyn L. Jensen #88-20-16-478-027 for \$180,000. The Troy Historical Society agrees to:

1. Reimburse the City of Troy for a deposit of \$18,000 (10%) upon receipt of an invoice.
2. Upon completion of the closing, the Troy Historical Society will reimburse the City of Troy the balance of \$162,000 for the purchase of the property.

Yes: 9— Barnard, Siess, Rounds, T. Holdburg, A. Holdburg, Hupman, Anderlie, Randol, Ogawa, Mc Kee, Young

No: 0

MOTION CARRIED