

A RESOLUTION AUTHORIZING THE MAYOR AND THE FINANCE DIRECTOR TO ENTER A REAL ESTATE PURCHASE AGREEMENT WITH MICHAEL & KATHY ACKERMANN AND MELVIN V. & RUTH KNOPP AND DECLARING AN EMERGENCY

BE IT RESOLVED by the Council of the Village of Richfield, State of Ohio:

SECTION 1. That the Mayor and the Finance Director be, and they hereby are, authorized and directed to enter into a Real Estate Purchase Agreement to purchase the property located at 4608 Streetsboro Road and 3915 Broadview Road in the Village of Richfield with Michael & Kathy Ackermann and Melvin V. & Ruth Knopp, a copy of which Agreement is attached hereto as Exhibit "A" and incorporated herein fully as if by reference.

SECTION 2. This Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare and for the further reason that it is immediately necessary in order to acquire property for municipal purposes at the earliest time; wherefore, provided this Resolution receives the affirmative vote of two-thirds of the members of Council elected or appointed, it shall take effect immediately upon its passage and execution by the Mayor; otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

PASSED: April 18, 2000

Michael J. Lyons
President of Council

Donald S. Larsen
Mayor

Dated: 4/19/2000

ATTEST:
Carole Gibson
Clerk of Council

REAL ESTATE PURCHASE AGREEMENT

1. OFFER & ACCEPTANCE. Village of Richfield, Ohio ("Buyer") hereby offers and agrees to buy and **Michael and Kathy Ackermann**, husband and wife, and **Melvin V. and Ruth Knopp**, husband and wife (collectively "Seller") hereby agree to sell the property described below. This Offer shall be accepted upon approval by Buyer's Council and execution by the Mayor and the Finance Director (the "Acceptance Deadline"). Buyer may withdraw this Offer at any time prior to acceptance by Seller. In any event, this Offer shall be void if not accepted by Seller on or before the Acceptance Deadline. As used herein the "date of this Agreement" shall mean the date of Seller's acceptance, and "this Agreement" shall mean this Offer, when accepted by Seller.

2. THE PROPERTY.

Address: 4608 Streetsboro Road and 3915 Broadview Road, Village of Richfield, Ohio

Permanent parcel numbers: 5000711. RI-00506-01-002

5000712. RI-00506-01-007

A full legal description is attached hereto as Exhibit A.

The "Property" shall include the land described above, all easements, hereditaments, appurtenances, all buildings and fixtures in the present condition, and all of the following items as are now in the property: electrical, heating, plumbing and bathroom fixtures; light bulbs; shades, blinds, curtain rods and drapery hardware; awnings, screens, screen doors, storm windows and storm doors; landscaping; TV antenna; radiator covers; built-in appliances; tacked down carpeting; garage door openers and controls; attached smoke and/or fire detectors and security systems; fireplace grates and screens; and attached mirrors.

Additional items included: None

Items excluded: None

3. PURCHASE PRICE. The price shall be \$225,000.00 (the "Purchase Price"), to be paid as follows:

a. \$ 5,000.00 Earnest money deposit (the "Deposit") in the form of a check payable to the Title Company (as hereinafter defined) to be delivered to Seller and deposited in escrow within 3 days following the date of this Agreement.

b. \$ 220,000.00 The balance of the purchase price.

4. CONDITION OF THE PROPERTY: DISCLOSURES.

a. Purchase of the Property "As-is". Except as provided to the contrary in this Agreement, Buyer and Seller agree that the Property is being purchased and sold in its present condition, "AS-IS," without any warranties or representations.

b. State of Ohio Residential Property Disclosure Form. Seller shall deliver a copy of the Disclosure Form to Buyer within 3 days following the date of this Agreement.

Seller shall promptly furnish Buyer with an amended Disclosure Form if Seller becomes aware of any inaccuracy therein (either through omission or change of condition of the Property)

c. Private inspection. Buyer shall have 30 days following the date of this Agreement (the "Inspection Deadline") to cause the Property to be inspected by one or more persons of Buyer's choosing and to notify Seller in writing of any deficiencies disclosed by such inspection(s). Seller agrees to cooperate with such inspection(s). If Buyer does not notify Seller of any deficiencies prior to the Inspection Deadline, then Buyer shall be deemed to accept the Property in its present, AS-IS condition. If Buyer gives timely notice, specifying such deficiencies, then, unless Buyer and Seller otherwise agree in writing, this Agreement shall terminate 7 days after Seller's receipt of Buyer's notice.

d. Walk-Thru. Buyer or Buyer's representatives may reinspect the Property (the "Walk-Thru") on the day prior to the Closing Date. In the event the Walk-Thru evidences that there has been any material adverse change in the physical condition of the Property from the date of Buyer's inspection(s) described in 4C, then Buyer may so notify Seller and the Escrow Agent, whereupon the parties shall mutually agree on an amount to be withheld from Seller's proceeds and either credited to Buyer or held in escrow pending correction of the deficiencies.

e. Government Requirements. To the best of Seller's knowledge, there are no outstanding violations of any statutes, ordinances, rules or regulations affecting the Property as set forth in any notice from any governmental authority. If any governmental notices of violations are received prior to the Closing Date, Seller will immediately advise Buyer.

f. Lead Warning Statement. Every purchase of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards.

5. DAMAGE. Seller shall bear the risk of loss and shall adequate insurance until title transfer. If any portion of the Property is damaged or destroyed prior to Closing, Seller shall promptly notify Buyer of such damages and of the amount of insurance proceeds payable (exclusive or proceeds specifically for damage to personal property of Seller not to be conveyed to Buyer). If the amount of damage (determined by the insurance adjuster) exceeds the less or 10% of the Purchase Price or \$5,000.00, the Buyer shall have the option, to be exercised by notice to Seller not later than 5 days

after notice from Seller, to : (a) complete the transaction and receive the proceeds of any insurance payable for damage to the Property plus a credit at Closing equal to the amount of the "deductible", or (b) terminate this Agreement. The failure of Buyer timely to exercise its option shall be deemed an election to complete this transaction. If the amount of the damage is less than the amount specified above, then Buyer shall be required to accept the insurance proceeds plus a credit at Closing equal to the amount of the damage not paid by insurance.

6. TITLE.

a. Seller shall convey marketable title to the Property to Buyer, or Buyer's nominee, by general warranty deed or fiduciary deed (the "Deed"), with release of dower, if any, free and clear of all liens and encumbrances except the "Permitted Exceptions", defined as follows: (1) real estate taxes and assessments which are not yet due and payable; (2) zoning ordinances, if any; (3) restrictions, conditions, reservations, and easements of record, if any, which do not materially and adversely effect the use or value of the Property; and (4) any liens or encumbrances created by the acts of Buyer or waived by Buyer as provided in 6D.

b. Buyer shall obtain an ALTA Owner's Policy of Title Insurance (the "Title Policy") issued by Cleveland Title Services, 4200 Rockside Road, Suite 101, Independence, Ohio 44131 (the "Title Company") insuring title to the Property to be good in Buyer, or its nominee, as of the filing of the deed for record, subject only to the Permitted Exceptions.

c. Seller shall furnish a copy of the commitment for such title policy (the "Title Commitment") to Buyer and its attorney, not less than 15 days prior to the Closing Date. Any restrictions, condition, reservation or easement of record shown in the Title Commitment shall be deemed not to materially and adversely affect the use or value of the Property unless objected to by Buyer in writing within 7 days after Buyer received the Title Commitment.

d. If the Title Commitment shall disclose any defect in Seller's title or any lien, or encumbrance other than the Permitted Exceptions (the "Title Objections"), then, unless Buyer shall have waived the Title Objections in writing, Seller shall have 30 days after receipt of the Title Commitment to provide Buyer with evidence to Buyer's satisfaction that the Title Objections have been removed or will be removed at Closing, failing which, Buyer may elect to (1) accept title subject to the Title Objections without reductions in the Purchase Price, or (2) terminate this Agreement by giving written notice to Seller and the Escrow Agent within 10 days after such 30-day period has expired. If Buyer shall fail to timely elect to terminate, then Buyer shall be deemed to have waived the Title Objections.

e. Promptly after the date of this Agreement, Buyer, at Buyer's cost, may cause a registered surveyor to make a boundary or location survey for the Property. If a survey shall disclose any matter which materially and adversely affects the use or value of the Property, then Buyer may so notify Seller and the Escrow Agent in writing no later than the Financing Deadline (or, if there is not financing contingency, 14 days prior to the Closing Date), in which event such matter shall be deemed to be a Title Objection.

7. ESCROW. The Escrow Agent for this transaction shall be the Title Company. Buyer shall deliver to the Escrow Agent a copy of this Agreement which shall serve as its escrow instructions for this transaction. The Escrow Agent may accept this escrow subject to its standard conditions of acceptance of escrow, to the extent they are not inconsistent with this Agreement.

8. CLOSING AND DELIVERY OF POSSESSION. All documents and funds and/or financial institution commitments for funds necessary to complete this transaction shall be placed in escrow in sufficient time to permit transfer of title on the Closing Date (as defined below). The Escrow Agent shall file the Deed for record (the "Closing") and complete this transaction in accordance with the provision of this Agreement on May 1, 2000, subject to extension for curing Title Objections, as provided in 6D, or on such other date as Buyer and Seller may mutually agree in writing (the "Closing Date"), provided that the Escrow Agent has reviewed all funds and documents required to be deposited with it for the closing and the Title Company is in a position to issue the Title Policy. Seller shall deliver possession of the Property to Buyer, free of any tenants' possessory rights, broom clean, at 6:00 p.m. on the Closing Date.

9. PRORATIONS, CHARGES AND CREDITS.

a. Real estate taxes, assessments (general and special), using as the basis for the proration of taxes and assessments the rate and valuation shown for the Property on the last available tax duplicate. The proration of taxes and assessments shall be final.

Seller warrants that Seller has received no written notice of any proposed assessment from any governmental authority.

b. Seller shall order final meter readings to be made as of the Closing Date for all utilities serving the Property and Seller shall pay all final bills rendered from such meter readings. To secure the payment of the final water and sewer charges the Escrow Agent is authorized to withhold \$200.00 from Seller's funds until the Escrow Agent has received evidence to the amount so withheld.

c. The Escrow Agent shall charge to Seller: (1) the cost for the title search and the cost of the Title Guarantee; (2) the conveyance fee and transfer taxes; (3) the cost of removing or discharging any defect, lien or encumbrance required for conveyance of the Property as required by this Agreement; (4) the amount due to Buyer for any proration or credit under this Agreement; and (5) one-half the escrow fee.

d. The Escrow Agent shall charge to Buyer: (1) the cost of the Title Insurance Policy; (2) the cost of recording the Deed; (3) one-half of the escrow fee.

10. NOTICE. All notices given pursuant to this Agreement shall be communicated in writing (including by facsimile or electronic mail) and shall be deemed given upon actual receipt.

11. TERMINATION. If a party has performed its obligations under this Agreement and, being entitled to do so, that party has elected to terminate this Agreement, then the party shall give the other party and the Escrow Agent written notice of the termination within 3 days following the date

on which the right to terminate arose (or such other date as specified herein). Except as otherwise specified in this Agreement, upon any such permitted termination, the Escrow Agent shall promptly return the Deposit to Buyer and return all funds and documents to the party which deposited them, whereupon Seller, Buyer and the Escrow Agent shall be relieved of any liability hereunder, except that Seller shall be liable for any title and escrow charges incurred to prior to termination.

12. DEFAULT; REMEDIES. Time is of the essence of this Agreement. If Buyer fails to make payment of the Purchase Price promptly when the same shall become due, or defaults in the performance of any covenant or agreement herein contained, and such failure or default continues for 5 days following written notice from Seller, then Seller may terminate this Agreement. Upon such termination, the Escrow Agent shall deliver the Deposit (after deducting any title and escrow charges incurred prior to such termination) to Seller as liquidated damages as Seller's sole remedy for such default, unless Seller notifies the Escrow Agent and Buyer upon such termination of Seller's election to pursue other legal or equitable remedies. If Seller fails to perform any obligation imposed by this Agreement, and such failure continues for 5 days following written notice from Buyer, Buyer may elect to terminate this Agreement or to pursue any legal or equitable remedy.

13. ENTIRE AGREEMENT. This Agreement, including any Addendum Clauses, constitutes the entire agreement between the parties. No other conditions, representations, warranties or agreements, expressed or implied, have been made or relied upon by Buyer or Seller. The representations, warranties and agreements contained in this Agreement shall survive the transfer of title.

14. PARTIES BOUND AND BENEFITTED. This Agreement shall bind and benefit the parties hereto and their respective heirs, personal representatives, successors and assigns.

15. REAL ESTATE BROKER. No real estate broker is owed a commission in connection with the sale of the Property.

16. ADDITIONAL PROVISIONS.

a. Building Salvage Rights. In the event that Buyer chooses to demolish the improvements located on the Property, Seller shall have the rights to salvage any and all architectural elements from the Property.

b. Landscaping Salvage Rights. In the event that Buyer chooses to demolish the improvements located on the Property or chooses to re-landscape the Property in any material way which causes the existing landscaping to be removed or altered, Seller shall have the rights to salvage any and landscaping elements located on the Property.

c. It is the intent of the Seller and the Buyer that the property be used for park, recreational, community service, educational and related municipal purposes.

d. The representations and warranties contained in this Section shall survive the closing of this transaction.

THIS AGREEMENT IS A LEGALLY BINDING CONTRACT. IF YOU HAVE ANY QUESTIONS OF LAW, CONSULT YOUR ATTORNEY.

BUYER:

Ronald Hassen

Mayor

Eleana Latorre
Finance Director

Approved by:

[Signature]
Law Director

Date: April 19, 2000

SELLER:

[Signature]

Michael Ackermann

[Signature]
Kathy Ackermann

[Signature]
Melvin V. Knopp

[Signature]
Ruth Knopp

Date: _____

ACCEPTANCE BY ESCROW AGENT

The Escrow Agent hereby accepts this Agreement in accordance with Paragraph 7 of this Agreement.

Name: _____
Signed by: _____
Title: _____
Date: _____