

Village of Dolton
Dolton United Housing Program

PROPERTY ACQUISITION AND ESCROW AGREEMENT

WHEREAS, the Village of Dolton is a Home Rule Unit of government pursuant to the State of Illinois Constitution of 1970 and, thereby may promulgate any rule or regulation for the benefit of its citizens; and,

WHEREAS, _____ is the legal owner of record of the real estate located at _____, Dolton, IL 60419, (hereinafter "*Subject Property*") PIN# _____ said property which is vacant and abandoned according to the Village of Dolton Vacant Property Ordinance; or, vacant and encumbered by numerous years of delinquent property taxes or water balance; or is vacant and has been unmaintained for an extended period thus resulting in it becoming encumbered by Village liens; and, whereas, the Subject Property has become a blight upon the neighborhood and Village; and, whereby all practical attempts to locate and contact the record owner have been futile; and,

WHEREAS, _____ (*Applicant's name*) of _____ (*address*) has advised the Village that he/she desires to acquire title to the Subject Property for the purpose of rehabilitating and redeveloping the subject property, and has presented a preliminary plan for said rehabilitation; or other reasons _____ (*specify*) and,

WHEREAS, such acquisition and rehabilitation would: eliminate the current blight being caused by the subject property, restore it to a useful purpose; generate employment opportunities; generate multiple revenues for the Village; return the subject property to the active property tax rolls; and, generally enhance the appearance, security and home values within the neighborhood of the Subject Property; and,

WHEREAS, the Village is interested in Applicant's proposal and recognizes that the State of Illinois Compiled Statutes sets forth legal methods by which the Village may acquire title to the subject property, including but not limited to: lien foreclosure, delinquent property tax purchases and abandoned property prosecution; and,

WHEREAS, the Village is willing and able to initiate one of the above legal actions to acquire title to the subject property, but only on the assurance that the expenses associated in doing same are advanced by Applicant; and,

WHEREAS, Applicant is agreeable to advancing funds to be held in escrow by the Village for the purposes of paying for the acquisition expenses; and that said funds shall be used to pay for said acquisition expenses as they occur; and, if said expenses exceed said escrow balance, Applicant shall pay same to Village in advance.

WHEREAS, the Mayor and Village Board believe that it is in the best interest of the Village to enter into a Property Acquisition and Escrow Agreement with Applicant in order to eliminate the aforementioned blighted condition of the Subject property and to promote the general health and welfare of the Citizens of Dolton and to allow the legal process to commence:

IT IS THEREFORE AGREED AS FOLLOWS:

1. That the above recitals are incorporated herein as though specifically set forth;
2. That Applicant hereby advises the Village of his/her intention to have the Village acquire the Deed to the abandoned property located at _____, Dolton, IL and Applicant makes this application for the purpose of purchasing the Subject Property from the Village if and when the Village acquires said Deed.
3. Applicant agrees to advance funds to be held in escrow by the Village for the purpose of paying for expenses related to the acquisition of the Subject Property; the Parties agree that any escrow balance remaining after acquisition shall be applied to the purchase price of the subject property, or if said expenses exceed said escrow balance, Applicant shall pay same to Village upon demand.
4. Applicant hereby agrees to tender to the Village of Dolton the sum of \$10,000.00 (*or as otherwise may be determined in the Villages' sole discretion*) for a residential property, \$15,000.00 (*or as otherwise may be determined in the Villages' sole discretion*) for multi-unit property, or \$25,000.00 (*or as otherwise may be determined in the Villages' sole discretion*) for a commercial property to be held in escrow for the benefit of both parties and for the purpose of securing and making payments incurred by the Village for acquisition expenses associated with the Subject Property. Applicant hereby authorizes the Village to make payments from said escrow fund without further notice to Applicant as acquisition expense invoices come due. Such expenses shall include but are not limited to: legal fees; filing fees; title insurance or search related fees; and, consultant fees.
5. Applicant acknowledges and agrees that the Village can only acquire title and Deed to the Subject Property by prosecuting certain provisions of the State of Illinois Compiled Statutes, and that the Village does not control the ultimate outcome of such prosecution. In other words, a court or other governmental agency presiding over the Village's attempted acquisition of said Subject Property

could deny the Village attempt to acquire such title and deed. In that event, the Village could not acquire title and deed and therefore, the Village would be unable to convey title and deed to Applicant.

6. Applicant understands the inherent legal risk in the process as set forth in paragraph 5 above, and for the good and valuable consideration set forth in this agreement, Applicant generally releases, holds harmless, indemnifies and will defend the Village from any and all claims, actions, causes of action, responsibility or liability for any action or debt arising out of this agreement and the Village's attempt to acquire title and deed to the subject property through a statutory process. Applicant especially releases the Village from any and all claims for a refund of the money placed in escrow as set forth in this agreement other than that set forth in paragraph 3 above. Applicant understands and agrees that the escrow fund deposited is NON-Refundable to the extent said funds have been expended or expenses have been incurred that have not yet been paid.
7. The parties hereto further agree that the Village is under no legal obligation to continue to attempt to acquire title to the subject property once the Village's legal attempt to acquire is denied or if Applicant ceases to fund the escrow account after demand by the Village. The Village shall determine in its sole discretion the legal method to be used to attempt to acquire title.
8. In the event the Village is successful in acquiring title to the Subject Property the Village shall notify Applicant. Applicant shall then have seven days to advise the Village in writing that he is ready to close on the purchase of the Subject Property. Should Applicant advise the Village that he wishes to close, the Village shall draft a Purchase and Sale Agreement to be executed by the parties, and the parties shall proceed to closing within 30 days or as otherwise may be agreed. Should Applicant fail to advise the Village of his intentions within seven days of the Village's notice, this agreement shall immediately terminate, and the Village shall be under no further obligation to Applicant.
9. The Village's sole obligation to Applicant at closing is to issue a Quit-Claim deed to Applicant transferring to him/her the Village's interest in the subject property. The Village makes no representations, warranties or guarantees relative to the deed or chain of title or title exceptions or delinquent taxes relating to the Subject Property. The Village shall incur no expenses in the closing. The cost of closing shall all be borne solely by Applicant, including costs customarily considered "sellers costs". The Village will NOT provide title insurance, survey or a tax proration or proration of any kind. The Village will not be required to clear title exceptions. Applicant will be responsible for scheduling and obtaining Village

Housing Department inspections and Occupancy Certificate. The sale of the Subject Property to Applicant is in an “as is” and “where is” condition.

10. Final sale price to Applicant shall be the Applicant’s escrow after acquisition of the Deed by the Village and same shall be reflected in the Purchase & Sale Agreement executed by the parties. Factors to be considered in determining the sales price shall include but are not limited to: expenses incurred by the Village, revenue unrealized by the Village caused by the abandonment of the Subject Property, and condition of the Subject Property as compared to market value of similar properties in the vicinity.

AGREED AS OF THIS _____ DAY OF _____, 20____.

For Applicant:

Signature

Printed name & title

For Village of Dolton:

Signature

Printed name & title