AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A PURCHASE AGREEMENT TO SELL A PORTION OF 180 SHIELDS AVENUE TO LAKE VETERINARY PROPERTIES, LLC AND DECLARING AN EMERGENCY.

WHEREAS, the City is the owner of a parcel of property known as 180 Shields Avenue, Avon Lake, Ohio, consisting of 40.0580 acres, and identified by the Lorain County Auditor as Permanent Parcel No. 04-00-006-114-077 (the "Premises"); and

WHEREAS, that the City desires to split 1.66 acres of the Premises and sell a portion of 180 Shields Avenue; and

WHEREAS, Lake Veterinary Properties, LLC ("Lake Veterinary") are the owners of certain land in Avon Lake, Ohio identified by the Lorain County Auditor as Permanent Parcel No. 04-00-006-108-065 and Permanent Parcel No. 04-00-006-109-017 (the "Lake Veterinary Parcel"); and

WHEREAS, the Lake Veterinary Parcel is south of Lake Road and east of Miller Road; and

WHEREAS, Lake Veterinary desires to purchase that portion of Permanent Parcel No. 04-00-006-114-077 on Exhibit A to the purchase agreement attached as Exhibit 1 hereto (the "Premises"); and

WHEREAS, Council and Avon Lake Regional Water have determined that the Premises are not needed for any of the following purposes and in connection with any such purposes or as incidental to the acquisition of land for any of such purposes: public highway, street, avenue, sidewalk, public grounds, bridge, aqueduct, viaduct, or any other public purposes; and

WHEREAS, Council has determined the only bid received from Lake Veterinary after advertising in accordance with law, is acceptable to this Council.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF AVON LAKE, STATE OF OHIO:

<u>Section No. 1</u>: That the City sell the Premises to Lake Veterinary for the sum of One Hundred Thousand Dollars (\$100,000.00).

Section No. 2: That the Mayor is hereby authorized and directed to execute an agreement for the sale of the portion of the parcel in substantially the form as attached as Exhibit 1 hereto.

<u>Section No. 3</u>: That the Mayor and Finance Director are authorized and directed to execute all other instruments and take such actions as may be required to complete the sale of the Premises.

<u>Section No. 4</u>: That all actions taken by the Mayor and his Administration to effectuate the sale of the Premises on behalf of the City are duly ratified and confirmed.

Section No. 5: That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and any of its committees which resulted in such formal actions, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

<u>Section No. 6</u>: That this Ordinance is hereby declared to be an emergency measure to ensure the timely and efficient operations of the City, thus for the public welfare. Therefore, this Ordinance shall be in full force and effect immediately upon its passage and approval by the Mayor.

1<sup>st</sup> reading: 4/24/2023 2<sup>nd</sup> reading: 5/09/2023

3<sup>rd</sup> reading:

PASSED: 5/22/2023 /s/ Martin E. O'Donnell

President of Council

POSTED: 5/26/2023 APPROVED: 5/23/2023

ATTEST: /s/ Valerie E. Rosmarin /s/ Gregory J. Zilka

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# REAL ESTATE PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

This Real Estate Purchase Agreement and Escrow Instructions (herein called "Agreement") is made by and between the City of Avon Lake, an Ohio municipal corporation (which with its successors and assigns is herein called "Seller"), and Lake Veterinary Properties, LLC, an Ohio limited liability company (which with its successors and assigns is herein called "Buyer") (with Seller and Buyer individually being referred to herein as "Party" and collectively referred to herein as "Parties"), is to EVIDENCE THAT:

WHEREAS, Seller is the record owner of the vacant, unimproved land located in Avon Lake, Ohio set forth on Exhibit A (attached hereto and incorporated herein by reference), including, but not limited to, the land and all appurtenances, hereditaments, rights, privileges and easements appertaining thereto and all structures and improvements and fixtures located thereon (if any) and all flora located thereon, all of which are herein collectively called the "Real Estate";

WHEREAS, Buyer was the successful bidder at the auction for the Real Estate;

WHEREAS, the terms and conditions of the auction for the Real Estate, among other things, require Buyer to plat or re-plat the Real Estate if required for Closing (as defined herein) (the "Replatting"); and

WHEREAS, Buyer desires to purchase from Seller, and Seller desires to sell to Buyer, the Real Estate, subject to this Agreement and according to the terms and conditions outlined herein.

NOW, THEREFORE, in consideration of the mutual covenants and promises made in this Agreement and other valuable consideration (the receipt and sufficiency of which are hereby acknowledged), Seller and Buyer hereby agree as follows:

#### 1. Closing Date and Escrow Agent.

- 1.1 Except as otherwise expressly stated herein, all transactions contemplated by this Agreement shall be made after all escrow deposits have been timely made on or before the Closing Date (as defined herein). The closing date (herein called "Closing Date" or the "Closing") shall be the date which is ten (10) days after the Re-platting is completed and the lot split is properly recorded with the Lorain County Recorder. The Closing Date may be an earlier or later date only as mutually agreed in writing by the Parties to this Agreement.
- 1.2 1st Nationwide Title Agency, Ltd., Attn. Ronald D. Yacobozzi, 6155 Park Square Drive, Suite 8, Lorain, Ohio 44053, (440) 985-3550 office, (440) 985-3551 fax (herein called "Escrow Agent" and/or "Title Company") shall be the Escrow Agent, subject to the Escrow Agent's standard conditions for the acceptance of escrow, except as otherwise expressly provided herein.

## 2. Sale of Real Estate in Escrow.

- 2.1 Seller shall sell and convey the Real Estate to Buyer, and Buyer shall purchase the Real Estate from Seller, in accordance with the terms and conditions hereof. The purchase price for the Real Estate (herein called the "Purchase Price") shall be **One Hundred Thousand and 00/100 Dollars (\$100,000.00)**. The Purchase Price shall not be changed, modified or amended as a result of any one or more surveys of the Real Estate.
- 2.2 Buyer shall deposit with Seller the amount of **Ten Thousand and 00/100 Dollars (\$10,000.00)** as a deposit (the "Deposit") by January 4, 2023, which shall be credited towards the Purchase Price at Closing. The Deposit shall be non-refundable unless Seller fails to close the transaction according to the terms of this Agreement or according to Section 7 of this Agreement, at which point Buyer's sole and exclusive remedy shall be a refund of the Deposit.

2.3 Notwithstanding any contrary provision of this Agreement, Buyer acknowledges that Buyer is accepting the Real Estate in its "AS IS, WHERE IS, WITH ALL FAULTS" condition and without implied or express warranties of any kind by Seller, including, but not limited to, warranties of merchantability and fitness for a particular purpose.

# 3. **Buyer's Deposits in Escrow.**

Buyer shall deposit the following with the Escrow Agent on or before the Closing Date:

- (a) The Purchase Price minus the Deposit plus the costs outlined in Section 5 of this Agreement;
- (b) A valid and binding Resolution authorizing Buyer to enter into this Agreement and identifying the Member or representative of Buyer that is authorized to execute this Agreement and any and all documents to carry out Buyer's obligations hereunder.

# 4. Seller's Deposits in Escrow.

Seller shall deposit in escrow with the Escrow Agent on or before the Closing Date:

- (a) Seller's good and sufficient limited warranty deed (herein called the "Deed") conveying the Real Estate to Buyer, free and clear of all liens, defects, clouds on the title and encumbrances except zoning restrictions, taxes and assessments which are a lien, but not yet due and payable, and except easements and restrictions of record; and
- (b) Any documents reasonably required by the Escrow Agent and title insurer to provide for the opening and closing of escrow and the issuance of the title insurance described herein.

#### 5. Escrow Instructions.

- 5.1 The Escrow Agent may proceed to Closing if and when:
- (a) Title Company is prepared to issue a Title Policy (as defined in Section 7), in the amount of the Purchase Price, to Buyer insuring marketable title to the Real Estate to be in Buyer, free and clear of all liens and encumbrances, except for the exceptions to the Deed warranty covenants and all other standard Schedule B exceptions; and
  - (b) Seller and Buyer have made all escrow deposits required.
- 5.2 Provided the requirements of Section 5.1(a) through (b) are fully satisfied, the Escrow Agent shall file the Deed for record and shall:
- (a) Pay the cost of the title search, owner's title insurance policies (exclusive of the cost of any endorsement) and charge the cost of same one-half (1/2) to Buyer and one-half (1/2) to Seller and pay the cost of the title endorsements (if any) and charge the cost of same entirely to Buyer;
- (b) Pay taxes and assessments and penalties and interest due and payable (including any and all delinquencies) on the date of transfer and pay in full all current installments of certified special assessments (if special assessments may not be prepaid, pay the amount of the same to Buyer) and charge the cost of the same to Seller;
- (d) After prorating real estate taxes and assessments to the date of transfer (taxes not yet due and payable shall be computed on the basis of the last available tax duplicate and without regard to the Purchase Price), pay to Buyer the amount of such prorated taxes and assessments which are a lien, but not yet due and payable, and charge the cost of the same to Seller;

- (e) Pay auditor's transfer tax and conveyance fee with respect to the transfer of the Real Estate and charge the cost of the same to Seller;
- (f) Pay the cost of recording the Deed and charge the cost of the same to Buyer;
- (g) Pay escrow fees and charge one-half (1/2) of the cost of the same to Seller and one-half (1/2) of the cost of the same to Buyer;
- (h) Satisfy and discharge any existing mortgages and liens and security interests of record and charge the cost of the same to Seller;
- (i) Pay balance, if any, due Buyer by check mailed to Buyer at Buyer's address described below and pay balance to Seller in accordance with Seller's payment instructions; and
  - (j) Deliver to Buyer the Deed.
- Estate in all respects, and in Buyer's sole discretion, from execution of this Agreement to the Closing Date. Buyer shall not perform any subsurface tests without the prior written consent of Seller. Any inspections, investigation, disturbance or restoration resulting or required will be conducted by Buyer in a manner consistent with the level, care and skill ordinarily exercised by members of the applicable profession currently practicing under similar conditions, and Buyer shall hold harmless, indemnify, and defend Seller against any and all costs, demands, claims or causes of action arising out of or related to Buyer's evaluation and inspection of the Real Estate in accordance with this Agreement. Buyer shall be responsible for repairing, at Buyer's expense, any damage that may be visited upon the Real Estate as a result of Buyer's inspection(s), and Buyer shall ensure that any portion of the Real Estate that is disturbed by Buyer's evaluation of the Real Estate are returned to its pre-inspection condition. Buyer and Buyer's agents and contractors and others authorized by Buyer may enter the Real Estate, with no less than forty-eight (48) hours prior written notice to Seller, to survey, inspect and test all or any portion of the Real Estate, all at Buyer's sole cost and expense.

#### 7. Title Commitment.

- 7.1 Seller shall engage Title Company to issue, within ten (10) days after the last of the Parties have executed this Agreement, a commitment for an ALTA Owner's Policy of Title Insurance (with said title policy of insurance being referred to herein as "Title Policy") in the amount of the Purchase Price, and, if requested by Buyer, a commitment for an ALTA Mortgagee's Policy of Title Insurance (with said policy of insurance being referred to herein as "Loan Policy") in an amount to be determined (collectively, the "Commitment"), together with legible copies of all instruments evidencing those matters listed as exceptions in the Commitment, setting forth the state of title to the Real Estate as of the effective date of the Commitment, the Title Company's requirements to delete the standard printed exceptions in the title policy(ies), and committing to issue those endorsements reasonably required by Buyer. The Title Company shall deliver a copy of the Commitment to Seller and Buyer.
- 7.2 Buyer may file written objections to exceptions contained in the Commitment on or before the date which is ten (10) days after the Commitment is received by Buyer, by providing notice to Seller of such objections (the "Objection Date"). Upon receipt of such written objections, Seller shall have the right but not the obligation to use reasonable diligence to remove, discharge or correct such liens, encumbrances or objections and shall have a period of thirty (30) days after receipt of notice thereof in which to do so (and, if necessary, the Closing Date shall be extended). Seller shall not in any event be obligated to pay any sums of money or to litigate any matter in order to remove, discharge or correct any lien, encumbrance or objection. If Seller shall be unwilling or unable to remove or discharge such other liens, encumbrances or objections within such period, then Buyer may, at its option, no later than five (5) days after Seller notifies Buyer of Seller's unwillingness or inability, either terminate this Agreement or accept title in its then-existing condition. If Buyer shall elect to terminate this Agreement, the Deposit

shall be refunded to Buyer and this Agreement shall promptly terminate, with Seller and Buyer having no further right or obligation hereunder to the other. If Buyer fails to give written notice of objection to Seller on or before the expiration of the Objection Date, all matters reflected on the Commitment shall be deemed to be accepted by Buyer.

8. <u>Survey; Lot Split; and Replatting.</u> Buyer, at Buyer's expense, shall cause to be prepared a survey of the Real Estate ("Survey") within three (3) business days of the Effective Date, which such Survey shall be prepared by a registered surveyor in form and substance satisfactory to permit the Title Company to delete its standard survey exception, with the seal of the surveyor affixed thereto and bearing the date upon the which the Survey was concluded. Buyer shall ensure Seller is provided a true and accurate copy of the Survey promptly upon receipt of same. As part of the Re-platting, Buyer, at Buyer's expense, shall cause to be prepared all documents necessary for the submission, approval, and recording of the lot split as depicted on <u>Exhibit B</u>, attached hereto and incorporated herein. Buyer shall submit all such documents to Seller for its approval prior to filing.

#### 9. Representations and Warranties.

- 9.1 Seller makes no express or implied representations or warranties as to the Real Estate.
- 9.2 Buyer represents and warrants that it has all necessary and proper authority to enter into this Agreement and consummate all transactions contemplated herein.
- Buyer represents and warrants that Buyer shall independently investigate the Real Estate in all respects and for all matters that may be of a concern to Buyer. BUYER ACKNOWLEDGES, WARRANTS AND REPRESENTS TO SELLER THAT BUYER IS PURCHASING THE REAL ESTATE, BASED ON ITS OWN INDEPENDENT INSPECTION, EVALUATION AND EXAMINATION OF THE AFORESAID REAL ESTATE; AND BUYER IS NOT RELYING UPON ANY REPRESENTATIONS, STATEMENTS, WARRANTIES OR AFFIRMATIONS OF SELLER, OR ITS **AGENT** REPRESENTATIVES: AND BUYER AGREES TO PURCHASE SUCH REAL ESTATE IN ITS "AS IS" ALL FAULTS, PRESENT CONDITION.
- 9.4 The foregoing representations and warranties shall be deemed to have been reaffirmed on the Closing Date and shall survive the Closing Date, recording of the Deed, and consummation of this transaction.

#### 10. General Indemnification.

- 10.1 Buyer shall indemnify and hold Seller harmless from and against all claims, fines, judgments, penalties, liabilities, injuries, damages, losses or costs (including, but not limited to, court costs, attorneys' fees, consultant and expert fees, fines and penalties and amounts paid for settlement of claims) and other charges suffered or incurred by Seller arising directly or indirectly from: (a) Buyer's breach of any provision of this Agreement; (b) the nonperformance of any obligations of Buyer hereunder; and (c) the condition of the Real Estate which is being sold to Buyer in its "AS IS, WHERE IS, WITH ALL FAULTS" condition as referenced in this Agreement.
- 10.2 Each of the Parties hereto represent and warrant to the other that they have not engaged the services of a real estate broker and/or real estate agent in connection with the transaction(s) contemplated by this Agreement. Each Party shall defend, indemnify, and hold the other Party harmless from and against any and all real estate broker and/or real estate agent commissions that are due and owing as a result of the consummation and Closing of the transaction(s) contemplated by this Agreement and the engagement of such real estate broker and/or real estate agent by the indemnifying Party.

# 11. Risk of Loss.

Seller shall bear the risk of loss for the Real Estate up to and including the Closing Date.

# 12. Notice.

Anv	and all	communications	and corres	pondence	shall be	directed	as referenced	below

If to Seller: City of Avon Lake

150 Avon Belden Rd. Avon Lake, Ohio 44012

Attn: Gary A. Ebert, Esq., Law Director

With a copy to: Avon Lake Regional Water

201 Miller Road

Avon Lake, Ohio 44012

Attn: Robert K. Munro, Chief Utilities Executive

If to Buyer:	Lake Veterinary Properties, LLC
	Attn

#### 13. Miscellaneous.

- (a) This Agreement, together with the instruments referenced herein, constitutes the entire agreement between the Parties hereto with respect to the Real Estate and supersedes all prior and contemporaneous agreements, representations, warranties, promises and understandings.
- (b) No waiver by Seller or Buyer and no refusal or neglect of Seller or Buyer to exercise any right hereunder or to insist upon strict compliance with the terms of this Agreement shall constitute a waiver of any provision of this Agreement with respect to any subsequent breach thereof.
- (c) Each Party's indemnities, representations, warranties and other obligations shall survive the closing and consummation of all transactions contemplated by this Agreement.
- (d) The date of this Agreement shall be the last on which it is executed by a Party hereto.
- (e) This Agreement may be executed in one or more counterparts and, when taken together, such counterparts shall constitute one integrated and fully-executed Agreement.
- (f) Any and all claims, demands, causes of action, controversies, and disputes arising as a result of this Agreement shall be venued exclusively in the State Courts of Lorain County, Ohio, and the Parties hereto hereby consent to the venue for any such case or controversy in the State Courts of Lorain County, Ohio.

[Signature Page Follows]

		City of Avon Lake
Date:	20	By:
		"Seller"
		Lake Veterinary Properties, LLC
Date:	20	By:
		"Buyer"

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date

hereof.

# **EXHIBIT A**

# Split Parcel "A" February 2023

1.6630 Acres

Situated in the City of Avon Lake, County of Lorain, State of Ohio, and known as being part of Original Avon Township Section Number 6 and further described as part of Sublot 1 in Avon Lake Regional Water Administration Subdivision as recorded in Volume 108, Page 5 of the Lorain County Plat Records and further described as follows:

Commencing at the intersection of the easterly right-of-way line of Miller Road (60 feet wide) with the northerly right-of-way line of Durrell Avenue (50 feet wide) and being the southwesterly corner of Sublot 3 in Paws by the Lake Subdivision Number 2 as recorded in Volume 104, Page 12 of the Lorain County Plat Records;

Thence South 87° 05′ 00″ East, along the southerly line of said Sublot 3 and the northerly right-of-way line of said Durrell Avenue and its Easterly prolongation thereof, a distance of 335.05 feet to point in the easterly right-of-way line of Alameda Avenue (50 feet); Said point being 0.81 feet northerly and 0.46 feet easterly from a 3/4-inch pipe found and the **True Place of Beginning** of land herein described;

- Course 1: Thence North 02° 20′ 00″ East, along the easterly right-of-way line of said Alameda Avenue, a distance of 366.42 feet to a point at the intersection of the easterly right-of-way line of said Alameda Avenue with the southerly right-of-way line of Electric Boulevard (20 feet) as vacated (Ordinance Number 58-2018) per Avon Lake Regional Water Administration Subdivision recorded in Volume 108, Page 5 of the Lorain County Plat Records; Said point being 0.24 feet southerly and 0.19 feet westerly from a 1-1/4-inch pipe found;
- Course 2: Thence North 75° 35′ 02″ East, along the southerly right-of-way line of said Electric Boulevard, a distance of 193.79 feet to a rebar set;
- Course 3: Thence South 02° 55′ 00″ West, a distance of 424.14 feet to a rebar set;

# **EXHIBIT A**

# Split Parcel "A" February 2023

1.6630 Acres

Course 4: Thence North 87° 05′ 00″ West, a distance of 181.26 feet to a point in the easterly right-of-way line of said Alameda Avenue and the True Place of Beginning.

Containing within said bounds **1.6630 acres** of land, be the same more or less, but subject to all legal highways and easements of record as surveyed in December 2021 by Amy M. Kelly, P.S. 8469 for Bramhall Engineering & Surveying Company. All bearings are intended to describe angles only. The basis of bearings used was a portion of the centerline of Miller Road which was assumed to be North 02° 20′ 00″ East.

The above intends to describe a portion of Sublot 1 in Avon Lake Regional Water Administration Subdivision as recorded in Volume 108, Page 5 of the Lorain County Plat Records.

All rebar to be set are 5/8-inch in diameter by 30 inches in length with yellow cap stamped "BRAMHALL 8073".

Amy M. Kelly, P.S. Registered Ohio Survevor No. 8469



