

AUTHORIZING THE SALE OF LOTS 8, 9 & 10 OF BLOCK 16 IN THE ORIGINAL TOWN (NOW CITY) OF DEKALB TO 217 GROVE, LLC (330 GROVE STREET AND 217 S. FOURTH STREET, DEKALB, ILLINOIS).

WHEREAS, the City of DeKalb (the "City") is a home rule unit of local government and may exercise any power and perform any function pertaining to its government and affairs pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, on January 9, 2023, the City's corporate authorities directed the City Manager to negotiate a purchase and sale agreement for the real property located at 330 Grove Street and 217 S. Fourth Street, DeKalb, IL 60115, pursuant to the proposal submitted by Pappas Development, LLC d/b/a 217 Grove, LLC ("Buyer"); and

WHEREAS, the City Manager and Buyer negotiated a purchase and sale agreement in the form attached hereto and incorporated herein as Exhibit A (the "PSA"); and

WHEREAS, the City's corporate authorities find that approving the Agreement is in the City's best interests for the protection of the public health, safety, and welfare; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

SECTION 1: The recitals to this resolution are adopted and incorporated herein as Section One to this resolution.

SECTION 2: By a vote of three-fourths of the corporate authorities then holding office and with the Mayor abstaining from the vote, the City's corporate authorities approve the PSA in the same or substantially similar form as Exhibit A attached hereto and incorporated herein, and further authorize and direct the City Manager to execute the PSA on the City's behalf, and for the City Manager and City Attorney to take all necessary actions to effect the PSA.

SECTION 3: This resolution and each of its terms shall be the effective legislative act of a home rule municipality without regard to whether such resolution should (a) contain terms contrary to the provision of current or subsequent non-preemptive state law, or (b) legislate in a manner or regarding a matter not delegated to municipalities by state law. It is the intent of the City's corporate authorities that to the extent that the terms of this resolution should be inconsistent with any non-preemptive state law, that this resolution shall supersede state law in that regard within its jurisdiction.

SECTION 4: This resolution shall be in full force and effect from and after its passage and approval as provided by law.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois at a Regular meeting thereof held on the 23rd day of January 2023 and approved by me as Mayor on the same day. Passed by a 6-0-2 roll call vote. Aye: Larson, Smith, Perkins, McAdams, Verbic, Faivre. Nay: None. Recused: Morris, Barnes.




COHEN BARNES, Mayor

ATTEST:


Ruth A. Scott, Executive Assistant

REAL ESTATE CONTRACT

THIS AGREEMENT made and entered into this 23rd day of January, 2023, by and between **the City of DeKalb, a municipality in the State of Illinois**, hereinafter “Seller”, and **217 GROVE LLC**, an Illinois limited liability company, hereinafter “Buyer”;

WHEREAS, Seller is the owner of that certain real property commonly referred to as 330 Grove Street and 217 South Fourth Street, DeKalb, Illinois, which property includes two commercial buildings and paved parking areas, all of which shall be collectively referred to as the “Property”; and

WHEREAS, Seller published a Request for Proposal whereby Seller solicited sealed bids for the purchase of the Property, and on January 9, 2023, Seller declared Pappas Development LLC, the successful bidder and awarded the sale to Pappas Development LLC; and

WHEREAS, Pappas Development LLC has nominated and assigned to Buyer its right to acquire the Property as contemplated in the aforesaid proposal;

NOW, THEREFORE, for and in consideration of the mutual terms, covenants and conditions herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the respective parties hereto, the parties do agree as follows:

1. **PREAMBLE.** The recitations hereinabove set forth in the Preamble are hereby adopted by this reference and incorporated herein, the same as though set forth in full context.
2. **PURCHASE.** Buyer hereby agrees to purchase the Property and Seller hereby agrees to sell the Property to Buyer all on the terms and conditions hereinafter set forth. The Property consists of land improved with two commercial buildings with all appurtenances located thereon, and shall include all furnishings, fixtures, equipment, and personal property located on the premises as of the date hereof. The Property also includes all of Seller’s right, title, and interest to any existing leases as of the date hereof.

- 3. PURCHASE PRICE AND DEPOSIT.** The total purchase price shall be One Hundred Thousand Dollars (\$100,000.00). Buyer has paid to Seller the sum of Twenty Thousand Dollars (\$20,000.00) as an earnest money deposit which shall be credited against the Purchase Price. The balance of the Purchase Price, as adjusted according to the terms herein, shall be paid at closing.
- 4. PRELIMINARY TITLE COMMITMENT.** Within ten (10) business, Seller shall deliver or cause to be delivered to Buyer a preliminary title commitment from Chicago Title Insurance Company or American Title Guaranty, Inc, in the amount of the purchase price, covering title to the Property on or after the date hereof, showing title in Seller and subject only to the standard commercial exceptions and the following:
- a. Covenants, conditions, restrictions and easements of record;
 - b. Title exceptions pertaining to liens or encumbrances of a definite or ascertainable amount which may be removed by the payment of money at the time of closing and which Seller shall so remove at that time;
 - c. General real estate taxes for 2022 and subsequent years;
- All of the above are hereinafter referred to as “Permitted Exceptions”. Buyer shall review the title commitment within ten (10) business days of receipt. If Buyer objects to any exceptions therein disclosed, Seller shall have ten (10) business days following receipt of such objection in writing to cause such objection to be removed by the title company. If Seller fails to do so, then Buyer may terminate this Contract and all earnest money shall be refunded to Buyer immediately.
- 5. PROPERTY SURVEY.** Seller has provided to Buyer a copy of a boundary survey of the Property dated December 15, 2022. No additional survey shall be required of Seller. If Buyer elects to obtain any additional survey work, it shall be at Buyer’s sole cost.
- 6. PERSONAL PROPERTY.** Seller agrees to transfer to Buyer by Bill of Sale all existing heating, electrical and plumbing systems, together with all fixtures and personal property located on the Property, including but not limited to the following: all HVAC systems, fixtures, and equipment; built in or attached shelving; all fire detection/prevention systems and devices, and all furnishings and personal property actually located on the premises as

of the date hereof.

7. **CLOSING.** The closing shall be on or before February 15, 2023, or as otherwise agreed by the parties.

A. **OBLIGATIONS OF SELLER AT CLOSING:** At or before the closing, Seller shall deliver the following closing documents and other items, each of which shall be in form and substance consistent with the laws of the State of Illinois and acceptable to Buyer and to the DeKalb County Recorder, if applicable, and, in the case of documents of transfer or conveyance, shall be accepted or consented to by all parties required to make such transfer or conveyance effective:

- 1) Warranty Deed in favor of Buyer together with an Affidavit of Title in customary form;
- 2) An executed ALTA statement in customary form;
- 3) Any required documentary or transfer stamp declaration together with payment of all related taxes and fees;
- 4) An executed Affidavit in customary form stating that Seller is not subject to withholding tax imposed by Section 1445A of the Internal Revenue Code; or a qualifying statement from the U. S. Treasury Department that the transaction is exempt from the withholding tax requirement imposed by Section 1445A of the Internal Revenue Code and the rules and regulations promulgated thereunder ("Section 1445A"). The parties and each of them shall perform all acts necessary to achieve compliance with the requirements of Title 26 United States Code Section 1445A and all other applicable laws.
- 5) Such other documents, instruments, certifications, and confirmations as may be reasonably required to fully effect and consummate the transactions contemplated hereby.

B. **OBLIGATIONS OF BUYERS AT CLOSING:** At the closing, Buyers shall deliver the following:

- 1) The Purchase Price;
- 2) An executed ALTA Statement in customary form;
- 3) Any required documentary or transfer stamp declaration;

4) Such other documents, instruments, certifications, and confirmations as may be reasonably required to fully effect and consummate the transactions contemplated hereby.

C. **OBLIGATIONS OF SELLER AND BUYERS;** Seller and Buyer shall jointly execute and provide to each other at closing an agreed closing statement including applicable closing costs, credits, or adjustments.

8. PAYMENT AND PRORATIONS. The Purchase Price, shall be paid by wire transfer or certified funds at Closing. The Property is exempt from property tax, so no adjustment or proration of property taxes shall be made. Seller represents that it is exempt from paying state and county Real Estate Transfer Tax, but Seller shall furnish a completed Real Estate Transfer Declaration signed by Seller, or Seller's agent, in the form required pursuant to the Real Estate Transfer Tax Act of the State of Illinois.

9. CONVEYANCE. Conveyance of Property to Buyer (or its nominee) shall be by stamped recordable Warranty Deed, subject only to those permitted title exceptions herein referenced, upon payment in full of the Purchase Price. Seller also shall furnish Buyer an Affidavit of Title in customary form, covering the actual Closing Date, and showing title in Seller, subject only to the permitted exceptions set forth above.

10. LEASEHOLD INTEREST. Seller is a landlord subject to one or more leases for certain portions of the Property. Seller shall assign said leases to Buyer at closing and shall provide a credit for any security deposit or prepaid rents, prorated to the date of closing.

11. SELLER'S WARRANTIES. Seller hereby represents and warrants unto Buyers:

A. That Seller has not received any notices from any state, county, city, village or other governmental authority of zoning, building, fire or health code violations in respect to the Property that have not been heretofore corrected and approved by the notifying authority; nor has Seller, without a specific duty to investigate, any knowledge or notice of any agreements, actions or contemplated actions of governmental authorities or utility companies concerning road improvements, special assessments, utility or service fees, condemnation proceedings or public open space requirements which have

any monetary or adverse developmental impact on the Property which have not been disclosed to Buyers;

- B. That Seller has the right, title and authority to enter into this Contract and to sell the Property which is the subject matter hereof;
- C. That to Seller's knowledge, the title to the Property is free and clear of any and all liens, restrictions, mortgages and other matters adversely affecting title to the Property which are not of a definite or ascertainable amount except as aforesaid;
- D. That Seller has no knowledge of any pending or threatened litigation affecting the Property on account of Seller;
- E. That there are no parties in possession of the Property nor are there any parties with possessory rights in the Property other than Seller and Seller's tenant;

12. CONDITION OF PROPERTY. Buyer agrees to accept the Property in its "as-is" condition, and Seller disclaims all warranties express or implied as to the condition of the Property. To the fullest extent permitted by law, Buyer shall defend, indemnify, and hold harmless Seller and its officers, employees, and agents from and against all claims, damages, losses, fines, expenses, costs, and attorney's fees arising out of or resulting from the condition of the Property including, but not limited to, any hazardous, toxic or dangerous substance or material located upon the Property and the remediation, clean-up, and removal of any such hazardous substance located upon the Property. The covenants and indemnities contained in this Section shall survive the termination of this Agreement and shall not merge with the deed or closing. The responsibility of the Buyer to Seller to pursue remediation shall not merge with the deed or closing and shall continue to exist after closing.

13. REDEVELOPMENT OF THE PROPERTY. Buyer agrees to redevelop the Property in accordance with and pursuant to Buyer's January 9, 2023, response to Seller's Request for Proposal.

14. DEFAULT. If any Party defaults under this Agreement, the other Party may waive the default and proceed to closing, seek specific performance, or refuse to close and cancel this Agreement with both parties being relieved of all further obligations under this Agreement. Except for failure to close on the Closing Date, a Party may not exercise its remedies until

after it delivers notice of the alleged default to the other Party and the other Party fails to cure within ten (10) days after receipt of the default notice. The remedies provided herein shall be the sole and exclusive remedies for either Party's default under this Agreement.

15. MISCELLANEOUS.

- A. Risk of Loss. The provisions of the Uniform Vendor and Buyer Risk Act of the State at Illinois shall be applicable to this Agreement;
- B. Binding Effect. The Parties hereto and each of them, their transferees, heirs and assigns do hereby agree to be bound by and subject to each and all of the terms and conditions and provisions of this Contract, and all amendments thereof and supplements hereof;
- C. Captions and Context. The captions of this Contract are for convenience only and are not to be construed as defining or limiting in any way the scope or intent of the provisions thereto. Pronouns and possessives shall be interpreted in context such that masculine shall include feminine, singular shall include plural, etc.;
- D. Execution in Counterparts. This Agreement may be executed in counterparts, either in the original or by facsimile, and all so executed shall constitute one and the same Agreement.
- E. Time. Time is of the essence of this Contract.

16. REAL ESTATE BROKER. Seller and Buyer warrant each to the other that no real estate broker or finder is involved in this transaction. Further, each agrees to indemnify and hold the other harmless from any cost, fee, claim or cause of action in relation to this transaction by any broker or finder making a claim incident to this transaction.


17. SIGNING OF AGREEMENT. This Contract and any document or instrument executed pursuant hereto may be executed in any number of counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signature or delivery by electronic means shall be sufficient as though signed in an original written form.

[Signatures on Next Page]

IN WITNESS WHEREOF, the Parties hereto have executed this contract on the day and year set forth above.

SELLER:

City of DeKalb
an Illinois municipality

By: 
Cohen Barnes, ~~Mayor~~
mayor

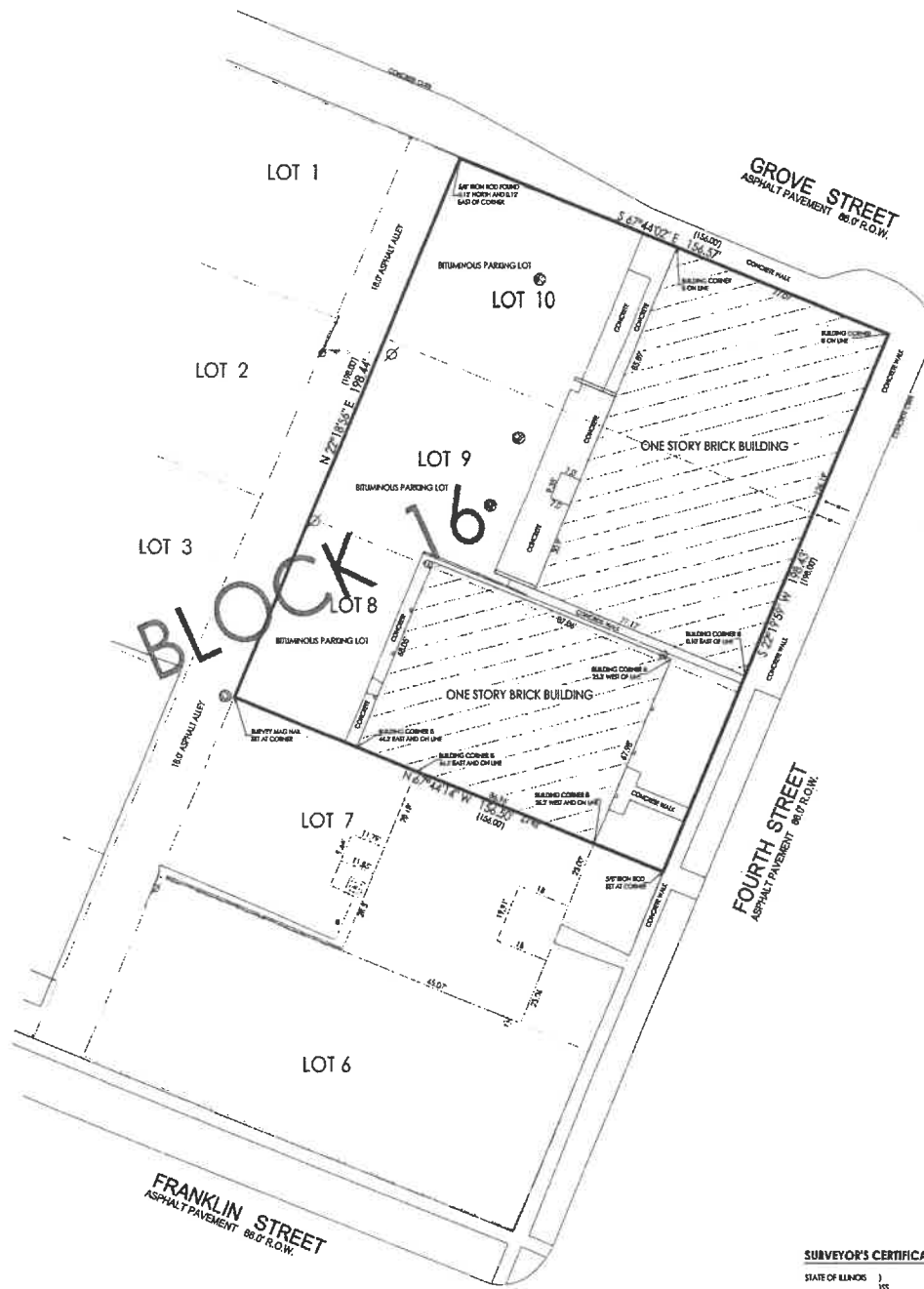
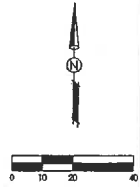
BUYER:

217 Grove LLC
an Illinois limited liability company

By: 
John F. Pappas, Manager

BOUNDARY SURVEY

LOTS 8, 9 AND 10 IN BLOCK 16 IN THE ORIGINAL TOWN (NOW CITY) OF DEKALB, ACCORDING TO THE PLAT THEREOF
 RECORDED IN BOOK "A" OF PLATS, PAGE 8-1/4 ON DECEMBER 19, 1853, SITUATED IN DEKALB COUNTY, ILLINOIS.
 PART OF P.L.N. 08-23-304-007 AREA= 31,061 SQUARE FEET OR 0.713 ACRES MORE OR LESS.



LEGEND

Right-of-Way	--- ---
Fence	- - - - -
Iron Pipe	⊕
Guy Anchor	⊙
Electric Pedestal	[E]
Electric Transformer	[E]
Gas Meter	[G]
Water Service w/ Curb Stop Box	⊕
Storm Catch Basin	⊕
Sanitary Cleanout	⊕
Sign	⊕
Hand Hole	⊕
Found Iron Rod	⊕
PC Nail	△

- NOTES:**
1. THERE MAY BE UNDERGROUND UTILITIES THAT ARE NOT SHOWN HEREON.
 2. COMPARE ALL POINTS BEFORE BUILDING AND REPORT ANY DIFFERENCE TO THE SURVEYOR AT ONCE.
 3. NO DIMENSIONS ARE TO BE ASSUMED BY SCALE MEASUREMENTS.
 4. THIS PLAT OF SURVEY IS VOID WITHOUT THE SEAL AND ORIGINAL SIGNATURES OF THE SURVEYOR.
 5. BASIS OF BEARING IS ASSUMED, RECORD BEARINGS AND DIMENSIONS IN PARENTHESES, MEASURED DIMENSIONS WITHOUT.

SURVEYOR'S CERTIFICATE

STATE OF ILLINOIS)
 COUNTY OF BOONE)

I, JEFFERSON J. BRAZAS, AN ILLINOIS PROFESSIONAL LAND SURVEYOR, HEREBY CERTIFY THAT A PLAT OF SURVEY HAS BEEN MADE UNDER MY DIRECTION AND SUPERVISION OF THE PROPERTY DESCRIBED ABOVE, AND THAT THE PLAT DRAWN HEREON IS A CORRECT REPRESENTATION OF SAID SURVEY. DIMENSIONS ARE SHOWN IN FEET AND DECIMAL PARTS THEREOF. FIELD WORK COMPLETED DECEMBER 15TH 2022.

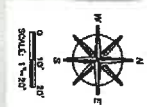
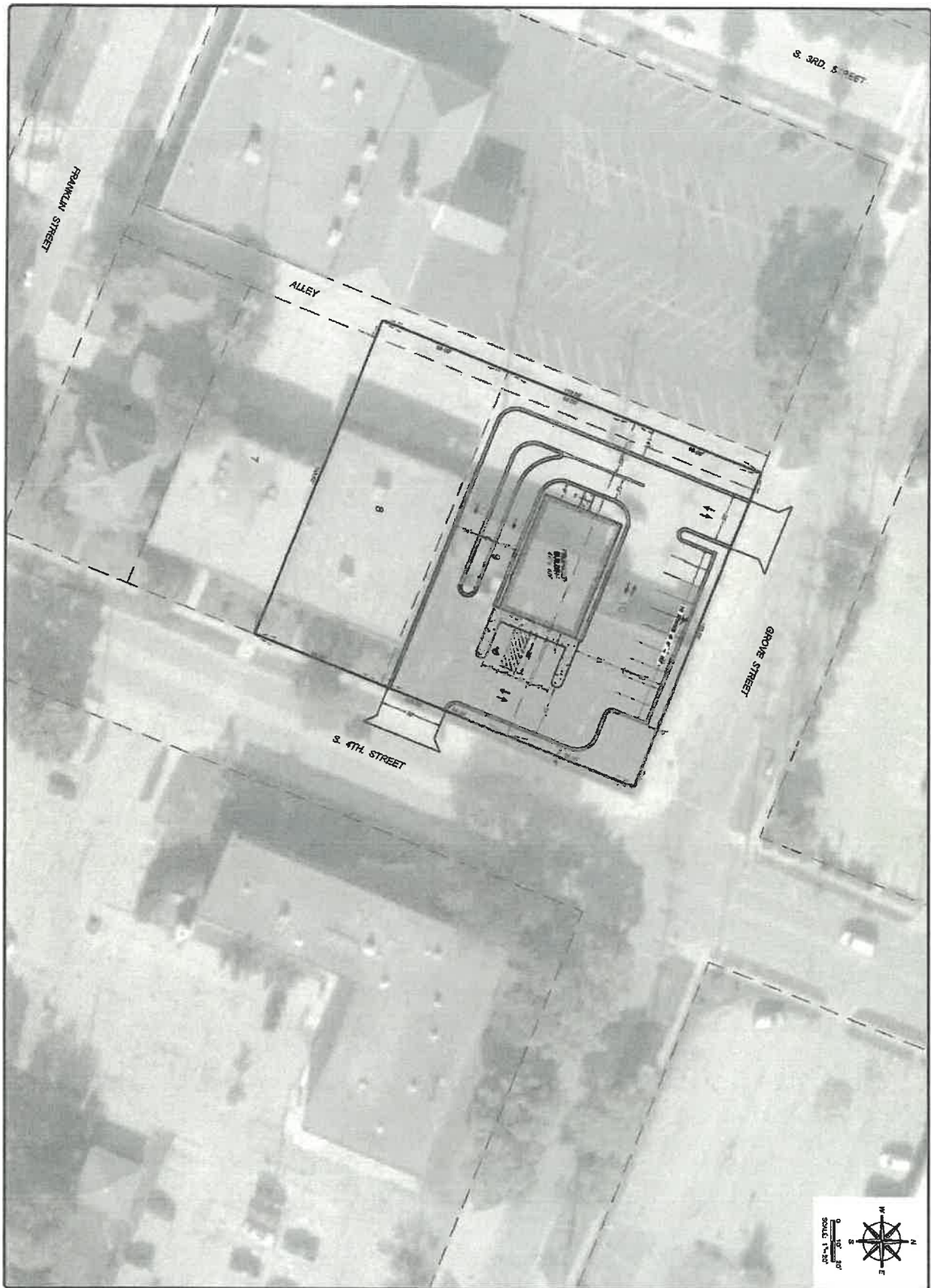
DATED THIS 15TH DAY OF DECEMBER, A.D., 2022.

Jefferson J. Brazas
 JEFFERSON J. BRAZAS
 ILLINOIS PROFESSIONAL LAND SURVEYOR #5258
 THIS PROFESSIONAL SERVICE CONFORMS WITH THE CURRENT ILLINOIS MINIMUM STANDARDS FOR A BOUNDARY SURVEY. EXPIRES 11/30/2024



CES. 700 WEST LOCUST ST., BELLEVILLE, ILLINOIS 61008
 PHONE: (313) 347-8425, FAX: (313) 348-0421
 ILLINOIS DESIGN FIRM NO. 134-057260

CLIENT: CITY OF DEKALB			
CITY OF DEKALB, DEKALB COUNTY, ILLINOIS			
DATE: 12-15-2022	DRAWN BY: JJB	SHEET 1 of 1	
PROJECT NUMBER: C116-22	DWG: C116-22 SURVEY		



SHEET NO.
2204-100-00000-220118
DATE
12/15/2022
SHEET NO.
1 of 1

CONCEPT PLAN B
OF
217 S. 4TH STREET - DEKALB, ILLINOIS
FOR
PAPPAS DEVELOPMENT

wendler
wendler engineering services, LLC
217 S. 4TH STREET - DEKALB, ILLINOIS
www.wendlereng.com | PH: 815.399.2211
Illinois Professional Design Firm No. 161-020048
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PROJECT	MAS
DATE	12/15/2022
BY	DJV
CHECKED	

REVISIONS	
NO.	DATE