



# City of Grand Island

Tuesday, December 19, 2017

Council Session

## Item F-3

**#9673 - Consideration of Sale of Property at 4808 Gold Core Drive**

Staff Contact: Tim Luchsinger, Jerry Janulewicz

# **Council Agenda Memo**

**From:** Timothy Luchsinger, Utilities Director  
Jerome Janulewicz, City Attorney

**Meeting:** December 19, 2017

**Subject:** Ordinance 9673 - Consideration of Sale of Property at  
4808 Gold Core Drive

**Presenter(s):** Timothy Luchsinger, Utilities Director

## **Background**

In the 1980's, the Utilities Department purchased property east of Highway 281 between Schimmer Road and Wildwood Drive that would be later developed into the Platte Valley Industrial Park. All of this property has been sold to developers with the exception of approximately nine acres at 4808 Gold Core Road.

Request for Proposals for the purchase of this property have been issued several times over the last few years without resulting in a sale. A Request for Proposals for Real Estate Broker Services of City Owned Property at 4808 Gold Core Drive in Grand Island, Nebraska was issued and advertised in accordance with City procurement policies. One response was received from Tracy Babcock of Century 21 Da-Ly Realty, and a listing agreement with her was authorized by Council on December 12, 2017.

## **Discussion**

The property at 4808 Gold Core Road was listed for sale by Ms. Babcock on December 13, 2017 for \$300,000 through the multiple listing service and two offers were received as of the morning of December 14, 2017.

Discussions by our seller's agent with prospective buyer's agents advised that multiple offers were expected and any offers were to be the best and highest. The highest offer was by Lyne Realty, L.P., for \$325,000.00, conditional on performing environmental and boundary surveys by the buyer. Upon review of this offer, the listing agent, Legal, and Utilities staff recommend that this is the highest responsive bid for the property at 4808 Gold Core Road.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand.  
The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

## **Recommendation**

City Administration recommends that the Council approve Ordinance 9673 and execution by the Mayor of the Farm, Ranch, and Land Purchase Agreement with Lyne Realty, L.P. of Fort Worth, Texas for the property at 4808 Gold Core Road.

## **Sample Motion**

Move to approve Ordinance 9673 and the execution by the Mayor of the Farm, Ranch, and Land Purchase Agreement with Lyne Realty, L.P. of Fort Worth, Texas for the property at 4808 Gold Core Road.







THIS IS A LEGALLY BINDING AGREEMENT, IF NOT UNDERSTOOD, SEEK LEGAL ADVICE.  
The REALTOR® negotiating this agreement is a member of the Nebraska REALTORS® Association  
And as such is governed by its Code of Ethics and Rules and Regulations.



## FARM, RANCH AND LAND PURCHASE AGREEMENT

Century 21 Da-Ly Realty 2514 S. Locust St. GI, NE 68801 December 13, 2017  
(Firm and Address) (date)

The undersigned, as Buyer, agrees to purchase the following Property (address) 4808 Gold Core Drive, GI NE 68803  
Legal Description: Platte Valley Industrial Park Third Sub to the City of Grand Island Lt 13  
9.029999 Acres

including all fixtures and equipment permanently attached to the Property provided Seller has a marketable title in fee simple. [ ] (initial) together with all mineral and water rights owned by Seller. [ ] (initial) Seller reserves all mineral and water rights. The only personal property included is as follows: Vacant Land

Seller agrees to furnish a title insurance policy insuring marketability and Buyer shall be furnished a current title insurance commitment by Seller. The cost of title insurance issued for this sale, if any, shall be equally divided between Buyer and Seller. Buyer has option of selecting or approving as selected by the Seller, the title insurance company. However, if Buyer and Seller agree, Seller may furnish an abstract of title certified to date in lieu of title insurance. If any defects in title are found in the abstract, Buyer agrees to furnish a copy of a written title opinion from Buyer's attorney showing the defects. Buyer agrees that should a valid title defect exist, Seller has a reasonable time to correct said defect. If the title defects are not cured within a reasonable time period, but not to exceed 30 days, the Buyer may declare this Agreement null and void, and the deposit shall be refunded.

Seller agrees to convey to Buyer by warranty deed or Equal free and clear of all liens, encumbrances, special assessments levied or assessed, except None and subject to all easements and restrictions or covenants now of record.

Price. Buyer agrees to pay \$ 325,000.00 DOLLARS, on the following terms: an earnest money deposit of \$ 10,000.00 at this time as shown by the receipt herein. If paid by check, it will be cashed. The earnest money deposit will be transferred to the listing broker on acceptance, if the selling broker is other than the listing broker. All monies shall be deposited in a trust account, to be held until the time of closing or until transferred to an escrow agent by agreement of Buyer and Seller. The balance of the purchase price shall be paid as shown in Paragraph(s) # #1 following:

#1 All Cash: Balance of \$ 315,000.00 shall be paid in cash, or by certified or cashier's check at time of delivery of deed, no financing being required.

#2 Conditional Upon Loan: Balance of \$ \_\_\_\_\_ shall be paid in cash, or by certified or cashier's check at time of delivery of deed, contingent upon Buyer's ability to obtain a loan, to be secured by first mortgage or deed of trust, on above described Property in the amount of \$ \_\_\_\_\_. Loan origination or service fees shall be paid by Buyer. Buyer agrees to make application for the loan within \_\_\_\_\_ days of acceptance of this offer, sign all papers, and pay all costs related to said loan. If the loan is not approved within \_\_\_\_\_ days of acceptance, this offer shall be null and void, and the deposit shall be returned to Buyer. If processing of the application has not been completed by the lending agency within the above time, such time limit shall be automatically extended until the lending agency has, in the normal course of its business, advised either approval or rejection.

#3 Seller Financing: Balance to be evidenced by \_\_\_\_\_ with Seller. Buyer to pay an additional cash payment, certified or cashiers check of \$ \_\_\_\_\_ at time of closing. The remainder of the purchase price, together with interest thereon at 0.000 % per annum shall be paid in \_\_\_\_\_ installments of \$ \_\_\_\_\_ for a period of \_\_\_\_\_ years. All other terms and conditions of the instruments shall be as mutually agreed upon. The instruments shall be prepared within \_\_\_\_\_ days after acceptance of this offer. Buyer's ☐, Seller's ☐ attorney shall prepare the instruments and cost of preparation shall be paid as follows:

Buyer's ☐, Seller's ☐ attorney shall review and approve all said instruments within \_\_\_\_\_ days of receipt.

Other Provisions: Real Estate taxes will be prorated, to the Buyer, to the date of closing. Earnest Money to be mailed to Century 21 Da-Ly Realty office upon acceptance of Purchase Agreement. This offer is subject to the Buyer's sole opinion of a satisfactory Phase 1 Environmental Survey and a Boundary Survey at Buyer's expense.

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Buyer: WS / \_\_\_\_\_ Seller: \_\_\_\_\_ / \_\_\_\_\_

CENTURY 21 Da-Ly Realty South, 2514 S Locust St Grand Island NE 68801  
Phone: 308-384-1101 Fax: 308-384-9647 Sheila Reed

Lyne Realty, LP

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.zipLogix.com](http://www.zipLogix.com)

Seller warrants that all existing leases shall ☐ shall not ☐ terminate on or before the date of closing.

Address:

Buyer and Seller agree that

The closing date of the sale shall be on or before the 20th day of February, 2018, or \_\_\_\_\_ days after loan approval, whichever shall last occur. Possession of Property to be on or before the 20th day of February, 2018, but not before closing.

This agreement shall in no manner be construed to convey the Property or to give any right of possession. Risk of loss or damage to the Property, prior to closing date, shall be the responsibility of Seller. If, prior to closing, the structures on the Property are materially damaged by fire, explosion or any other cause and Seller does not elect to repair or replace said structure, Buyer shall have the right to rescind this agreement, and the earnest money shall be refunded.

This offer is null and void if not accepted by Seller on or before December 20, 2017 at 9:00 o'clock ☐ a.m. ☒ p.m.

BUYER West Soward DATE 12/13/2017  
Lyne Realty, L.P.

BUYER'S limited agent is Sheila Reed [agent] of Century 21 Da-Ly Realty [company]

Page 6 / 11

SELLER City of Grand Island DATE \_\_\_\_\_

SELLER \_\_\_\_\_ DATE \_\_\_\_\_

SELLERS' limited agent is Tracy Babcock {agent} of Century 21 Da-Ly Realty [company]

STATE OF Nebraska )

) SS:

COUNTY OF Hall )

The foregoing purchase agreement was acknowledged before me on \_\_\_\_\_,  
by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

#### RECEIPTS FOR FULLY EXECUTED PURCHASE AGREEMENT

Buyer acknowledges receipt of executed copy of this agreement and the SID statement required by Neb. Rev. Stat. §31-727.03, if applicable.

\_\_\_\_\_  
(Buyer)  
**Lyne Realty, L.P.** Date \_\_\_\_\_

\_\_\_\_\_  
(Buyer) Date \_\_\_\_\_

Seller acknowledges receipt of executed copy of this agreement.

\_\_\_\_\_  
(Seller)  
**City of Grand Island** Date \_\_\_\_\_

\_\_\_\_\_  
(Seller) Date \_\_\_\_\_

#### BUYER PLEASE NOTE

At closing Buyer is required to have cash or certified or cashier's check for the balance of his payments.

#### SELLER PLEASE NOTE

Upon termination of Seller's insurance at closing, Seller should insure all personal property remaining on the premises prior to delivery of possession.



# Estimated Real Estate Closing Statement Seller's Settlement Sheet



DA-LY REALTY

Date Prepared December 14, 2017

4808 Gold Core Drive, Grand Island, NE

Property 68801Name of Seller City of Grand IslandEstimated Closing Date February 20, 2018SALES PRICE \$ 325,000.00

## LESS SELLING EXPENSES:

Discount Points - Fees \$ \_\_\_\_\_

Cost of Title Insurance 1/2 of \$1065 532.50

Recording Fees - Mortgage Release \_\_\_\_\_

State Documentary Tax (\$ 2.25 /1000) 731.25

Deed Preparation \_\_\_\_\_

Escrow Closing Fee 1/2 of \$300 150.00

Termite Inspection Fee (VA Loan) \_\_\_\_\_

Termite Treatment \_\_\_\_\_

Prepayment Penalty \_\_\_\_\_

Warehouse &amp; Tax Service Fees (NIFA Loan) \_\_\_\_\_

Home Warranty \_\_\_\_\_

Seller Repairs \_\_\_\_\_

Homeowner's Assn Fee ( \_\_\_\_\_ days at \$ 0.00 /day) \_\_\_\_\_Other Century 21 admin fee 100.00

Other \_\_\_\_\_

## PROFESSIONAL SERVICE FEES:

Listing Broker 5% commission 16,250.00

Selling Broker \_\_\_\_\_

TOTAL SELLING EXPENSES \$ 17,763.75

## OTHER COSTS:

Mortgage Balance \_\_\_\_\_

Interest to Closing ( \_\_\_\_\_ days at \$ 0.00 /day) \_\_\_\_\_

TOTAL MORTGAGE PAYOFF \$ \_\_\_\_\_

## TAXES:

Prior Years \_\_\_\_\_

Current Year ( \_\_\_\_\_ days at \$ 0.00 /day) \_\_\_\_\_

Special Assessments \_\_\_\_\_

TOTAL \_\_\_\_\_

(Escrow refund may be direct from loan company after closing.)

TOTAL TAXES &amp; OTHER LIENS \$ \_\_\_\_\_

APPROXIMATE FINAL NET \$ 307,236.25

**Remarks:** Seller agrees to pay all outstanding utility bills. Seller authorizes Listing Firm to disclose pertinent details of the above transaction. The above estimated closing statement, prepared by the Listing Firm, has been received, read and approved by the undersigned.

Copy received by:

Prepared by:

City of Grand Island

Date

Tracy Babcock

Date

Date

(RETAIN FOR INCOME TAX PURPOSES)

CENTURY 21 Da-Ly Realty South, 2514 S Locust St Grand Island NE 68801  
Tracy BabcockProduced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.zipLogix.com](http://www.zipLogix.com)

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Phone: 308-384-1101

Fax: 308-384-9647

City of Grand Island



\*This area reserved for the Register of Deeds\*

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### ORDINANCE NO. 9673

An ordinance approving a Purchase - Sale Agreement for the conveyance of property between the City of Grand Island (“City”) and Lyne Realty, L.P., 2201 Scott Avenue, Fort Worth, Texas (“Purchaser”); providing for the giving of notice of such conveyance and the terms thereof; providing for the right to file a remonstrance against such conveyance; and providing for publication and the effective date of this ordinance.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA:

SECTION 1. The Purchase - Sale Agreement between City and Purchaser is hereby approved and authorized with respect to City’s conveyance to Purchaser the following described real estate located at 4808 Gold Core Drive, Grand Island, to wit:

Platte Valley Industrial Park Third Subdivision to the City of Grand Island, Lot 13, Hall County, Nebraska (the “Property”).

Approved as to Form	☐ _____
December 15, 2017	☐ City Attorney

ORDINANCE NO. 9673 (Cont.)

SECTION 2. In consideration for such conveyance the Purchaser shall pay \$325,000 cash consideration at closing and, as additional consideration the Purchaser will be responsible for the cost of recording the deed, and one-half of the costs for the title insurance and closing costs. Conveyance of the real estate above described shall be by warranty deed pursuant to the terms and conditions of the Farm, Ranch and Land Purchase Agreement between City and Purchaser.

SECTION 3. As provided by law, notice of such conveyance and the terms thereof shall be published for three consecutive weeks in the Grand Island Independent, a newspaper published for general circulation in the City of Grand Island. Immediately after the passage and publication of this ordinance, the City Clerk is hereby directed and instructed to prepare and publish said notice.

SECTION 4. Authority is hereby granted to the electors of the City of Grand Island to file a remonstrance against the conveyance of such within described real estate; and if a remonstrance petition against such conveyance is signed by registered voters of the City of Grand Island equal in number to thirty percent of the registered voters of the City of Grand Island voting at the last regular city election held in such City be filed with the City Council within thirty days of passage and publication of such ordinance, said property shall not then, nor within one year thereafter, be conveyed.

SECTION 5. Any ordinances or parts of ordinances in conflict herewith be, and hereby are, repealed.

SECTION 6. This ordinance shall be in force and take effect from and after its passage and publication in one issue of the Grand Island Independent as provided by law.

ORDINANCE NO. 9673 (Cont.)

Enacted: December 19, 2017.

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Jeremy L. Jensen, Mayor

Attest:

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RaNae Edwards, City Clerk