



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Economic Development Division

m e m o r a n d u m

TO: Mayor Diane Wolfe Marlin and City Council

FROM: John A. Schneider, MPA, Community Development Manager
Brandon S. Boys, AICP, Economic Development Manager

DATE: February 6th, 2018

SUBJECT: **An Ordinance Authorizing the Sale of Certain Real Estate (1301 East Washington Street – R Rentals Series LLC)**

Introduction

The City has been approached by Mike Hosier of R Rentals Series LLC, who has offered to purchase the City-owned property located at 1301 East Washington Street at a price of \$100,000. Champaign-based R Rentals intends to fully demolish the existing structures and construct a new building suitable for multiple neighborhood-oriented retail and service businesses. The exhibited ordinance would authorize the Mayor to execute the attached purchase agreement with R Rentals and for staff to subsequently close on the property upon the completion of the buyer's due diligence period (**Exhibit A: Draft Authorizing Ordinance with Attached Purchase Agreement**).

Background

On December 15, 2008, the Urbana City Council approved an agreement accepting a donation of the subject property located at 1301 East Washington Street (**Exhibit B: Property Location Map**) from DRS Limited Partnership. The parent company, Tri Star Marketing, had sought to sell the property on the open market for a period of roughly two years prior to approaching the City regarding donation of the property. Once in City possession, staff briefly contemplated reuse of the property for municipal offices, but soon determined that it would be impractical given the level of investment required to bring the building up to standard. Staff then began reaching out to other governmental bodies to gauge their interest in the property, ultimately to no avail. In the meantime, the property's air conditioning units were vandalized in 2009 and again in 2011 despite the addition of security fencing. In recent years, staff has only utilized accessory structures on the site for some limited storage. On August 17th, 2015, the City Council dedicated a portion of the property as right-of-way to allow for future improvements to the intersection of East Washington Street and Philo Road.

On August 1st, 2016, Mayor Laurel Prussing authorized a commercial real estate listing of the property with broker Jay Sikorski of Coldwell Banker Commercial Devonshire Realty. On August 7th, 2017, the Urbana City Council approved a purchase agreement for the property with The Overland Group, a preferred developer of Dollar General stores. On October 3rd, The Overland Group terminated the purchase agreement during its due diligence period.

In January of 2018, staff began work on a purchase agreement with R Rentals for the property. On January 26th, a notice for a public hearing to be held on February 12th was published in the News Gazette seeking public comment on the proposed sale.

Listing Price

The City first listed the property at a price of \$270,000. After six months without any serious interest, the listing price was reduced to \$235,000. In April of 2017, after feedback from prospective buyers, staff reassessed the listing price on the property. Staff utilized comparable properties provided by the broker and the Cunningham Township Assessor's office staff and also took into consideration an estimated minimum demolition cost of \$70,000 to arrive at a new listing price of \$165,000. In August of 2017, after receiving offers from two prospective buyers well below asking price, the City executed a purchase agreement with The Overland Group at \$160,000 with a commitment from the buyer to repair or demolish the existing building within 120 days of closing. After The Overland Group's termination of the purchase agreement in October 2017, the City entertained offers from three prospective buyers, each well below asking price. In January 2018, after negotiation, Mayor Marlin directed staff to move forward with the \$100,000 offer from R Rentals with a commitment to demolish the existing building within 90 days of closing.

Proposed Purchase Agreement

The City Council is asked to consider acceptance of the proposed purchase agreement which has been signed by the manager of R Rentals. The closing may not take place for up to 120 days while the buyer evaluates the property, but must take place within 150 days of the execution of the purchase agreement. The City can remove any furniture, fixtures or contents of the buildings prior to closing. After the closing, the new owner will have 90 days to demolish the buildings located on the property. During this time, the City shall not enforce its life and safety codes against the building, unless it deteriorates to the extent that it becomes an imminent danger to the public.

Buyer's Background and Intended Use of the Property

Based in Champaign, R Rentals owns and manages fifteen Champaign properties and four Downtown Urbana properties consisting of primarily commercial buildings for small business tenants with some second story studio apartments. Current Urbana tenants include Crane Alley, Applied Pavement

Technology, Blackbird, Collider Cowork , CU Adventures in Time & Space, See You CD & Vinyl, Best of Africa Grocery and Habitat for Humanity. R Rentals is currently working with 25 O’Clock Brewing and Pizza M to establish a new retail presence at 208 West Griggs Street. In addition, CU Adventures in Time & Space has signed a lease with R Rentals for an expanded facility at the former Gill Building at 401 North Vine Street.

R Rentals intends to construct a new building on the property this construction season suitable for multiple neighborhood-oriented retail and service businesses. R Rentals is currently in communication with multiple, locally-owned businesses that have expressed interest in the site. A specific redevelopment proposal will be contingent upon securing leases with tenants.

Current Zoning and Future Land Use

The proposed sale and redevelopment of 1301 East Washington Street is consistent with the subject property’s current B-3 General Business zoning which permits by-right the proposed uses of neighborhood-oriented retail and service businesses. The use would add new retail and service options to the Philo Road corridor and join the nearby Family Dollar store and the adjacent Huraches Moroleon restaurant.

The subject property, along with the aforementioned neighboring retailers along Philo Road, are each located on parcels designated for Community Business in the 2005 Comprehensive Plan, which defines Community Business uses as those *designed to serve the overall community and the immediate neighborhood*. The property is also located within the Urbana Enterprise Zone and a new construction project at the site would be anticipated to receive sales tax exemption certificates on new construction materials as well as property tax rebates on the new construction value.

Fiscal Impact

The proposed purchase agreement would allow for sale of the property at a purchase price of \$100,000. The broker would be paid a seven percent commission at the time of closing in the amount of \$7,000. The City may also incur additional title and closing costs that are not expected to exceed \$1,300. All proceeds from the transaction, expected to be in the amount of \$91,700, would be deposited in the City’s General Fund.

The City currently expends approximately \$7,250 per year in expenses associated with this property including mowing, landscaping, electricity, gas, water, outside lighting, insurance, stormwater utility fee, sewer benefit tax, and sewer fee. The City’s limited utilization of storage on the property would be relocated without incurring any additional costs. As such, sale of the property would result in an approximate reduction in expenditures of \$7,250 per year.

At present under City ownership, the property is tax exempt. Sale of the property and completion of the

anticipated project would likely result in the generation of over \$17,000 annually in new property tax revenue among all taxing partners once the property is fully assessed, of this over \$2,000 would likely be collected by the City annually.

Options

1. Approve the draft authorizing ordinance as presented.
2. Approve the draft authorizing ordinance with changes. It should be noted that any changes would need to be agreed upon by the buyer.
3. Deny the draft authorizing ordinance.

Recommendation

The proposed sale of 1301 East Washington Street would result in the demolition of blighted structures and create an opportunity for substantive new investment in the Philo Road corridor. The proposed neighborhood-oriented retail and service uses by the prospective buyer would be permitted by right under the parcel's current zoning and would provide vital activation of an underutilized, but highly visible and accessible corner property.

The sale of the property would raise over \$90,000 in General Fund revenues upon closing and would also result in a decrease in City property maintenance expenditures of over \$7,000 per year. Lastly, the property when improved and fully assessed would likely generate \$2,000 per year in new property tax revenues to the City.

Staff recommends that the City Council approve the attached draft authorizing ordinance to advance the sale of 1301 East Washington Street to R Rentals Series LLC.

Prepared by:



Brandon S. Boys, AICP
Economic Development Manager

Exhibits: A: Draft Authorizing Ordinance with Attached Purchase Agreement
 B: Property Location Map

EXHIBIT A

ORDINANCE NO. 2018-02-008

AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN REAL ESTATE

(1301 East Washington Street – R Rentals Series, LLC)

WHEREAS, Urbana City Code Section 2-118(a) provides that any real estate owned by the City of Urbana (“City”) may be sold in any manner prescribed by the City Council in an ordinance authorizing such sale; and

WHEREAS, the City owns certain real estate commonly known as 1301 East Washington Street; and

WHEREAS, R Rentals Series, LLC desires to buy, and the City desires to sell, the real estate for the purchase price of \$100,000; and

WHEREAS, the City Council expressly finds and declares that the real estate is no longer needed for governmental purposes or proprietary activity of the City; and

WHEREAS, the Committee of the Whole, a regular standing committee of the City Council, held a public hearing on the question of the sale at 7:00 p.m. on Monday, February 12, 2018, after due and proper notice of such public hearing having been given by publication in *The News-Gazette*, a newspaper having a general circulation within the City, on a date at least 15 days prior to the time of the public hearing; and

WHEREAS, the City Council, after due consideration, finds that the sale of the real estate to R Rentals Series, LLC, as herein provided, is in the best interests of the residents of the City and is desirable for the welfare of the City’s government and affairs.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1.

The sale of the real estate commonly known as 1301 East Washington Street; in Urbana, Illinois, and legally described below, substantially on such terms as contained in the Real Estate Transfer Agreement attached hereto and incorporated herein, is hereby authorized and approved:

Tract 1:

A part of the Northeast Quarter of the Southwest Quarter of Section 16, Township 19 North, Range 9 East of the Third Principal Meridian, the surveyed boundary of which is more particularly described as follows:

Beginning at an iron rod monument situated at the intersection of the Southerly line of Washington Street in the City of Urbana, Illinois, said line having a local bearing of South $89^{\circ}19\frac{1}{2}'$ East, and the Northeasterly wayland line of the Norfolk and Western Railroad, as shown by plat recorded in Book "E" at page 25 in the office of the Champaign County Recorder; thence Southeasterly along said Northeasterly wayland line, said line also being along a curve to the left, convex to the Southwest having a radius of 5,693.97 feet and a long chord bearing of North $44^{\circ}48\frac{1}{2}'$ West, a distance of 384.04 feet to an iron rod monument situated at a point of tangency; thence South $46^{\circ}44\frac{1}{2}'$ East along said Northeasterly wayland line, 75.67 feet to an iron rod monument; thence South $00^{\circ}02\frac{1}{4}'$ West, 90.57 feet to an iron rod monument situated on the Southwesterly wayland line of said railroad, said wayland also being the Northeasterly line of State of Illinois Highway Route 130, said line also being parallel with and 66.00 feet distant from said Northeasterly wayland line of said railroad; thence North $46^{\circ}44\frac{1}{2}'$ West along said Southwesterly wayland line, 137.69 feet to an iron rod monument situated at a point of curvature; thence Northwesterly along said Southwesterly line, said line also being along a curve to the right, convex to the Southwest with a radius of 5,759.97 feet, a distance of 360.01 feet to an iron rod monument, situated at a point of compound curvature; thence Northerly along a curve to the right, convex to the Northwest, with a radius of 39.03 feet, a distance of 91.18 feet to an iron rod monument, situated at a point of tangency, and also situated on the aforesaid Southerly line of Washington Street, said point also being the point of

beginning, containing 0.754 acres, more or less, all situated within the City of Urbana, Champaign County, Illinois.

Tract 2:

Tract "B" of Modern Research Industries Subdivision according to the plat thereof recorded on Document No. 604045 in Plat Book "M" at page 6 in the office of the Champaign County Recorder, situated in the Northeast Quarter of the Southwest Quarter of Section 16, Township 19 North, Range 9 East of the Third Principal Meridian, the survey boundary of which is more particularly described as follows:

Beginning at an iron rod monument situated at the intersection of the Southerly line of Washington Street in the City of Urbana, Illinois, and the Northeasterly wayland line of the Norfolk and Western Railroad, as shown by plat recorded in Book "E" at page 25 in the office of the aforesaid County Recorder; thence South $89^{\circ}19'1/2''$ East on a local bearing along said Southerly Street line, 325.94 feet to an iron rod monument situated at the intersection of said Southerly line of Washington Street and the West line of Washington Square First Subdivision; thence South $00^{\circ}02'1/4''$ West, along said Subdivision West line 320.42 feet to an iron rod monument at the intersection of said West line of Washington Square Subdivision and aforesaid Northeasterly wayland line of the Norfolk and Western Railroad; thence North $46^{\circ}44'1/2''$ West along said Northeasterly line, 75.67 feet to an iron rod monument, situated at a point of curvature; thence Northwesterly along said Northeasterly line, said line also being along a curve to the right, convex to the Southwest with a radius of 5,693.97 feet, a distance of 384.04 feet to the point of beginning, containing 1.229 acres, more or less, all situated within the City of Urbana, Champaign County, Illinois.

Except:

That portion of the above described property dedicated as right-of-way by Document Number 2015R16569 and recorded August 27, 2015 in the Office of the Recorder, Champaign County, Illinois, being described as follows:

A part of the Southwest Quarter of Section 16, Township 19 North, Range 9 East of the Third Principal Meridian, Champaign County, Illinois, being more particularly described as follows:

Beginning at an iron rod monument situated at the intersection of the existing southerly right-of-way line of Washington Street in the City of Urbana, Illinois, and the northeasterly right-of-way line of the abandoned Norfolk and Western (formerly Wabash) Railroad, as shown by plat recorded in Book "E" at page 25 in the Office of the Champaign County Recorder; thence, SOUTH 89 DEGREES 19 MINUTES 30 SECONDS EAST, along said southerly line of Washington Street, 105.94 feet; thence, SOUTH 59 DEGREES 42 MINUTES 00 SECONDS WEST, 100.00 feet; thence, SOUTH, 64.12 feet, to the existing northeasterly right-of-way line of Philo Road, said line also being the southwesterly right-of-way line of said abandoned Norfolk and Western Railroad; thence, along said northeasterly right-of-way line of Philo Road, along a curve to the right, having a radius of 5759.97 feet, a chord bearing of NORTH 43 DEGREES 21 MINUTES 53 SECONDS WEST, a chord length of 69.75 feet, for an arc length of 69.75 feet, to a point of compound curvature; thence along a curve to the right, having a radius of 39.03 feet, a chord bearing of NORTH 23 DEGREES 29 MINUTES 40 SECONDS EAST, a chord length of 70.99 feet, for an arc length of 89.14 feet, to the point of beginning, having an area of 0.156 acres (6799.490 square feet), more or less, all situated in the City of Urbana, Champaign County, Illinois.

Permanent Index No.: 92-21-16-327-011

Section 2.

The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver a Real Estate Transfer Agreement, in substantially the form of the copy of the Real Estate Transfer Agreement attached hereto and hereby incorporated by reference, and all other documents required to be delivered in connection with the transaction contemplated herein, and the City Clerk of the City of Urbana, Illinois, be and the same is hereby authorized to attest to the execution of the documents, as so authorized and approved for and on behalf of the City of Urbana, Illinois.

Section 3.

The Mayor of the City of Urbana, Illinois, or her designee, be and hereby is authorized to perform all acts necessary on behalf of the City of Urbana to effectuate the sale of the real estate.

Section 4.

This Ordinance shall be in full force and effect from and after its passage.

This Ordinance is hereby passed by the affirmative vote, the “ayes” and “nays” being called, of three-fourths of all the alderpersons then holding office and the Mayor (6 of 8 votes) of the City of Urbana, Illinois, at a meeting of the City Council.

PASSED BY THE CITY COUNCIL this ___ day of _____, _____.

AYES:

NAYS:

ABSTENTIONS:

Charles A. Smyth, City Clerk

APPROVED BY THE MAYOR this ___ day of _____, _____.

Diane Wolfe Marlin, Mayor

REAL ESTATE TRANSFER AGREEMENT

This agreement is made between R Rentals Series LLC, an Illinois limited liability company (the "Buyer"), and the City of Urbana, an Illinois municipal corporation (the "Seller"), and is effective on the last date signed by a party hereto. The parties agree as follows:

1. **Premises.** The Seller shall sell, and the Buyer shall purchase, the following described real estate (the "Premises"):

Common address: 1301 East Washington Street, Urbana, Illinois 61802-4447

Permanent Index Number: 92-21-16-327-011

Legally described as follows:

Tract 1:

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of tangency, and also situated on the aforesaid Southerly line of Washington Street, said point also being the point of beginning, containing 0.754 acres, more or less, all situated within the City of Urbana, Champaign County, Illinois.

Tract 2:

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Beginning at an iron rod monument situated at the intersection of the existing southerly right-of-way line of Washington Street in the City of Urbana, Illinois, and the northeasterly right-of-way line of the abandoned Norfolk and Western (formerly Wabash) Railroad, as shown by plat

recorded in Book "E" at page 25 in the Office of the Champaign County Recorder; thence, South 89 degrees 19 minutes 30 seconds East, along said southerly line of Washington Street, 105.94 feet; thence, South 59 degrees 42 minutes 00 seconds West, 100.00 feet; thence, South, 64.12 feet, to the existing northeasterly right-of-way line of Philo Road, said line also being the southwesterly right-of-way line of said abandoned Norfolk and Western Railroad; thence, along said northeasterly right-of-way line of Philo Road, along a curve to the right, having a radius of 5759.97 feet, a chord bearing of North 43 degrees 21 minutes 53 seconds West, a chord length of 69.75 feet, for an arc length of 69.75 feet, to a point of compound curvature; thence along a curve to the right, having a radius of 39.03 feet, a chord bearing of North 23 degrees 29 minutes 40 seconds East, a chord length of 70.99 feet, for an arc length of 89.14 feet, to the point of beginning, having an area of 0.156 acres (6799.490 square feet), more or less, all situated in the City of Urbana, Champaign County, Illinois.

2. **Purchase price.** The purchase price is \$100,000, minus credits and prorations, and is due and payable in cash or by check at the closing.

3. **Fixtures and personal property.** This agreement does not require the Seller to transfer to the Buyer any fixtures or personal property. However, any fixtures or personal property the Seller does not remove from the Premises prior to the closing are hereby transferred to the Buyer. The Seller represents to the Buyer that the Seller owns all such fixtures and personal property, that such fixtures or personal property are free and clear of all liens, charges, and encumbrances, and that the Seller has full right, power, and authority to sell such fixtures or personal property to the Buyer. The Seller disclaims and excludes all warranties of quality, fitness, and merchantability.

4. **Condition of Premises.** Except as provided in Paragraph 13, the Buyer accepts the Premises in its "as-is" condition, and the Seller disclaims all warranties express or implied as to the condition of the Premises.

5. **Deed.** The Seller shall convey the Premises to the Buyer by a good and sufficient Warranty Deed, subject only to those exceptions listed in Paragraph 6(B).

6. **Title.**

- A. At the Seller's sole cost and within a reasonable time before closing, the Seller shall deliver to the Buyer a commitment for an ALTA title insurance policy, in the amount of the purchase price, issued by a title insurance company doing business in Champaign County, committing the company to issue a policy in the usual form insuring title to the Premises.
- B. At closing, the Seller shall provide good and merchantable title, subject only to general real estate taxes not due and payable at the time of closing, liens of special assessments, zoning laws and building ordinances, easements appar-

ent or of record that do not underlie the improvements, and covenants, conditions, encumbrances, and restrictions of record that do not restrict reasonable use of the Premises. The Seller also shall execute and deliver to the Buyer any affidavit, statement, or other document normally required by the title insurance company as a condition for issuance of the title insurance policy provided for above.

- C. If title evidence discloses exceptions other than those permitted, the Buyer shall give written notice of such exceptions to the Seller within a reasonable time. The Seller will have a reasonable time to have such title exceptions removed, or, any such exception that may be removed by the payment of money may be cured by deduction from the purchase price at the time of closing. If the Seller is unable to cure such exception, the Buyer, at its election, may terminate this agreement or take the title as it then is with the right to deduct from the purchase price liens or encumbrances of a definite or ascertainable amount upon giving the Seller notice of such election and tendering performance on its part.

7. **Taxes and assessments.** The Premises is exempt from payment of real estate taxes in accordance with 35 ILCS 200/15-75, and, thus, there is no need for provision of real estate tax payment. The Seller represents to the Buyer that no bills for utilities or other taxes associated with the Buyer's possession and use of the Premises, including but not limited to water, gas, electric, cable television, sewage treatment, sewer use taxes, stormwater utility fees, and recycling taxes, will be outstanding and not fully satisfied at the time of closing.

8. **Due diligence investigation.** The Buyer may undertake a feasibility and due diligence investigation of all aspects of the Premises, including the feasibility of the Premises for the Buyer's purposes, starting on the effective date of this agreement and continuing through and including the 120th day after the effective date of this agreement. If the Buyer determines, in the Buyer's sole discretion, not to proceed with the purchase of the Premises, the Buyer may terminate this agreement by giving written notice to the Seller on or before the 120th day after the effective date of this agreement, including such effective date. Otherwise, the Buyer will be deemed to have waived this contingency.

9. **Closing; possession.** The parties shall hold the closing no later than 150 days after the effective date of this agreement. The closing will take place at the Urbana City Building, 400 S. Vine Street, Urbana, Illinois, 61801, or at such other place as the parties may agree.

10. **Closing costs.** The Buyer and Seller shall share equally the escrow fees for the closing. All other closing costs will be apportioned according to prevailing local custom. Each party shall pay its own legal fees.

11. **Seller's representations.** The Seller represents the following to the Buyer:
 - A. The Seller has authorized the person signing this agreement to enter into this agreement by and on behalf of such Seller, and this agreement is a legal, valid, and binding obligation of the Seller, enforceable against the Seller in accordance with its terms.
 - B. No contracts for the furnishing of any labor or material to the Premises or the improvements thereon, and no security agreements or leases in respect to any goods or chattels that have been or are to become attached to the Premises or any improvements thereon as fixtures, will at the time of closing be outstanding and not fully performed and satisfied; and there are not and will not be any unrecorded leases or contracts relating to the Premises at the time of the closing.
 - C. To the best of the Seller's knowledge and belief, no actions or proceedings are pending against the Seller or any part of the Premises that, if determined adversely to the Seller, would have an adverse effect on the Buyer or the Premises.
 - D. Neither the Seller nor any of Seller's agents have entered into any contract to sell the Premises, any portion thereof, or any interest therein other than to the Buyer.
 - E. The Seller has taken or will take all actions necessary to authorize the execution, delivery, and performance of this agreement.
12. **Buyer's representations.** The Buyer represents the following to the Seller:
 - A. The Buyer has authorized the person signing this agreement to enter into this agreement by and on behalf of such Buyer, and this agreement is a legal, valid, and binding obligation of the Buyer, enforceable against the Buyer in accordance with its terms.
 - B. The Buyer has taken or will take all actions necessary to authorize the execution, delivery, and performance of this agreement.
13. **Environmental disclosure.**
 - A. The Seller has disclosed to the Buyer any and all information known to the Seller of any environmental condition that may affect the marketability or usability of the Premises. If the Seller becomes aware of the existence of any environmental concern or violation of any environmental law or regulation not previously disclosed at any time prior to the closing that affects either the value of the Premises or its use for a commercial or residential purpose, the Seller shall give written notice to Buyer of such concern or violation. If the

parties do not come to an agreement regarding an adjustment of the purchase price based upon the cost of environmental remediation and associated costs at any time during the 30 days following written notice to the Buyer, the Buyer may terminate this agreement by written notice to the Seller.

- B. If the Buyer becomes aware of the existence of any environmental concern or violation of any environmental law or regulation not previously disclosed at any time prior to closing that affects either the value of the Premises or its use for a commercial or residential purpose, the Buyer shall notify the Seller in writing of such concern or violation. If the parties do not come to an agreement regarding an adjustment of the purchase price based upon the cost of environmental remediation and associated costs at any time during the 30 days following written notice to the Seller, the Buyer may terminate this agreement by written notice to the Seller..

14. **Other disclosures.** The Premises will be used for redevelopment, and any buildings located thereon will be demolished. Therefore, the Buyer waives the Seller's compliance with all disclosures except as specified in this agreement.

15. **Demolition or repair.** The commercial building located on the Premises is unsafe and dangerous, has unsafe equipment, and is unfit for human occupancy. The Buyer shall demolish the building no later than 90 days after the closing of this transaction. During such time, the Seller shall not take enforcement action against the Buyer for the building's life and safety code violations, unless the condition of the building so deteriorates that it becomes an imminent danger to the public. This Paragraph will survive the closing and will not merge with the deed.

16. **Default.**

- A. Either party may terminate this agreement at any time for cause if the other party breaches any term of this agreement and does not cure such breach by the tenth day after written notice is given. The party giving notice shall specify the reason or reasons for such termination and shall state the effective date of such termination if the breach is not fully corrected.
- B. In the event of the Seller's default, the Buyer may take one or more of the following actions: maintain a claim for monetary damages for breach of contract; maintain a specific performance action against the Seller; and maintain any other or different remedy allowed by law.
- C. If either party defaults in any of its obligations under this agreement, the party not in default will be entitled to recover its costs and reasonable attorneys' fees caused by the other's default from the defaulting party.

- D. The foregoing remedies in the event of default are not intended to be exclusive, and the parties have the right to all other lawful remedies, including specific performance.

17. **Insurance.** The Seller shall keep in force public liability insurance in the existing amount now carried on the Premises until 12:00 p.m., local time, on the day following the closing of this transaction.

18. **Entire agreement.** This agreement constitutes the entire agreement between the parties, supersedes all other agreements or understandings between them pertaining to the matter of this agreement, and may not be modified except by a writing signed by both parties.

19. **Notices.** Except where the terms of this agreement expressly provide otherwise, the parties shall give all notices required or permitted by this agreement in writing, addressed as set forth below, unless another address is provided in writing. Notices will be deemed given when personally delivered; deposited in the U.S. mail, postage prepaid, first class; or delivered to a commercial courier.

Seller

Economic Development Manager
City of Urbana
400 S. Vine Street
Urbana, Illinois 61801-3336

Buyer

Michael Hosier, Manager
R Rentals Series LLC
307 S. Neil Street
Champaign, Illinois 61820-4930

20. **City Council approval.** This agreement will be valid only after the Seller's City Council approves it by resolution or ordinance. If the Seller's City Council does not approve this agreement, this agreement will be of no force or effect, and the parties will be relieved of all liability to each other hereunder.


21. **Survival of agreement.** All of the covenants, warranties, representations, and agreements contained in this agreement that were not performed at the time of the closing will survive such closing and will not merge with the deed. A party that violates any such covenants, warranties, representations, or agreements shall indemnify and defend the other party against all claims, liability, or damage, including without limitation reasonable attorney's fees and costs, arising from such violation, and such obligation will not merge with the deed.

22. **Counterparts.** The parties may sign this agreement in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Signatures delivered by email in Adobe Portable Document Format (PDF) or by facsimile will be deemed original signatures for all purposes.

[Signature page follows]

The parties are signing this agreement on the dates indicated opposite their signatures.

R Rentals Series LLC:

By: 

Michael Hosier
Manager

January 12, 2018

Dated

City of Urbana, Illinois:

By: _____
Diane Wolfe Marlin
Mayor

Dated

ATTEST:

Charles A. Smyth
City Clerk
Ordinance No. 2018-

Exhibit B: Property Location Map -1301 E Washington St

