



SPRING GROVE AREA SCHOOL DISTRICT
Spring Grove, Pennsylvania

TO: Board of School Directors

FROM: Dr. George W. Ioannidis, Superintendent

PREPARED BY: Mr. Mark A. Czapp, Director of Business Operations

DATE: April 7, 2021

SUBJECT: Sale of District Property - Purchase Agreement

As discussed during the March 22nd Regular Voting Meeting, the attached represents the final draft of the purchase agreement to sell the tract of land located at College Avenue to the Spring Grove Borough for a purchase price of \$232,000. This transaction is contingent upon the Spring Grove Borough obtaining a grant from the Pennsylvania Department of Conservation & Natural Resources for the purchase of this property.

This purchase agreement, reviewed by Mr. Dave Jones, Esquire with Stock and Leader, is included as an action item with the April 12th Directors' Study Forum Agenda

Please contact Mark Czapp or me prior to the meeting with any questions related to this action item.

PURCHASE AGREEMENT

THIS DOCUMENT IS INTENDED TO BE LEGALLY BINDING

THIS AGREEMENT is made this ___ day of _____, 2021.

- 1) **PARTIES:** Between, **Spring Grove Borough**, a municipal corporation organized and existing under and pursuant to the Pennsylvania Borough Code, as amended and supplemented, with an address of 1 Campus Avenue, Spring Grove, Pennsylvania 17362, hereinafter called “**Buyer**” and **Spring Grove Area School District**, a school district organized and existing under and pursuant to the Pennsylvania School Code, as amended, with an office address of 100 E. College Avenue, Spring Grove, Pennsylvania 17362, hereinafter called “**Seller**”.
- 2) **PROPERTY:** Seller hereby agrees to sell and convey to Buyer, who hereby agrees to purchase: A PORTION OF THAT CERTAIN vacant tract of land and a parking lot, containing approximately 6.8746 acres, located at College Avenue, Spring Grove, in the Borough of Spring Grove, York County, Pennsylvania, 17362, and more particularly described as Tax Parcel #85-000-01-0189.A0-00000, Deed Book 84-D, Page 370, in the Office of the Recorder of Deeds in and for York County, Pennsylvania. The parking lot on the tract of land, containing approximately .6 acres of land (the “Parking Lot”) shall be subdivided from the subject premises prior to settlement and shall be retained by Seller, provided that, the exact acreage to be conveyed to Buyer shall be subject to the final approved subdivision plan approved by the Borough of Spring Grove. The approximate configuration of the Parking Lot is shown on the attached Exhibit “A”, which Exhibit “A” is incorporated herein by reference.

Buyer agrees to buy and Seller agrees to sell the Property on the following terms and conditions:

- 3) **PURCHASE PRICE / DEPOSITS / FINANCING:**
 - a) **PURCHASE PRICE:** The total purchase price for the Property is Two Hundred Thirty-Two Thousand and 00/100 (\$232,000.00) Dollars.
 - b) **PAYMENT OF PURCHASE PRICE/FINANCING:** Payment of the Purchase Price shall be as follows: At Settlement, the sum of Two Hundred Thirty-Two Thousand and 00/100 (\$232,000.00) Dollars shall be paid to Seller.
- 4) **FINANCING CONTINGENCY:** This transaction is contingent upon the Buyer obtaining a grant from the Pennsylvania Department of Conservation & Natural Resources.

5) TITLE AND COSTS:

- a) The premises are to be conveyed in fee simple by special warranty deed, free and clear of all liens, encumbrances and easements, EXCEPTING HOWEVER, the following: Existing building restrictions, ordinances, easements of roads, privileges or right of public service companies, if any; or easements or restrictions visible upon the ground, otherwise the title to the above described real estate shall be good and marketable and such as will be insured by a reputable title insurance company at the regular rates.
 - b) The Buyer will pay for the following:
 - i) The premium for title insurance and/or title search.
 - ii) The premium for flood insurance, if any is required.
 - iii) Buyer's normal settlement costs and accruals unless otherwise stated herein.
 - c) Any survey or surveys which may be required by the Title Insurance Company, are desired by the Buyer, or required by his mortgagee shall be secured and paid for by the Buyer. In the event the Seller is unable to give a good and marketable title, and such as will be insured by a reputable title insurance company, then the Buyer has the option of (1) taking such title as the Seller can give without abatement of price, or (2) being refunded all deposit monies paid on account by the Buyer, if any; and Seller will reimburse Buyer for any costs incurred by Buyer for inspections performed under any Paragraph hereof, any premium for title insurance and/or title search or fee for cancellation of same, any cancellation fees for flood insurance and/or hazard insurance with extended coverage, insurance binder charges or cancellation fee and any appraisal fees, and in the latter event, there shall be no further liability or obligation on either of the parties hereto and this Agreement shall become NULL AND VOID.
- 6) SETTLEMENT: Settlement to be made within sixty (60) days after the receipt of final approval by the Borough of Spring Grove of the subdivision plan separating the Parking Lot from the remainder of the premises and adding the same to remaining lands of Seller.
- 7) BROKER INDEMNIFICATION AND COMMISSION: Neither Buyer nor Seller is represented by a real estate broker or agent in connection with this transaction. In the event any claims for brokerage commissions, finder's fees other compensation arising out of the transactions contemplated by this Agreement are asserted by any broker or agent, the party hereto whose action directly or indirectly gave rise to such claims shall be responsible for payment thereof, and shall indemnify and hold the other party harmless from and against all loss, cost, damage, expense and liability incurred as a result thereof.

- 8) ZONING: Zoning classification is: Town Residential.
- 9) POSSESSION: Possession will be provided at time of settlement.
- 10) PRORATIONS: Real estate taxes, water and sewer charges and any other municipal or lienable services shall be prorated on the basis of the applicable taxing/billing period as of the Closing Date.
- 11) SUBDIVISION PLAN: Within ninety (90) days of execution of this Agreement, the Seller shall cause to be prepared a final subdivision plan to be submitted to Spring Grove Borough to separate the Parking Lot from the subject parcel and adding the same to remaining lands of the Seller. The costs associated with the preparation and approval of the subdivision plan shall be shared equally by Seller and Buyer. Seller and Buyer shall cooperate fully with one another in all respects to accomplish the subdivision of the property.
- 12) CONDITION OF PROPERTY: It is understood and agreed that the Property is being sold "as is" "where is", that Buyer has, or will have prior to the Settlement, inspected the Property and that Seller makes no representation or warranty as to the physical condition or value of the Property or its suitability for Buyer's intended use.
- 13) DISCLOSURES/INSPECTIONS, IF ANY: Buyer acknowledges receipt of the following indicated written disclosures and/or addenda, all of which are made a part of this Agreement.
 - () Disclosure and Inspection Addendum
 - () Buyer has received the Lead-based paint Brochure and Disclosure
 - () Sewage facilities for undeveloped lots
 - () Disclosure of Real Estate Agency Relationship
 - () Dual Agency Addendum
 - () Disclosure of Affiliated Business Relationship
 - () Lead-based paint Testing Contingency
 - () Seller's Disclosure
- 14) TENDER AND POSSESSION:
 - a) Possession is to be delivered by Deed and physical possession to the Property
 - b) Formal tender of an executed Deed and purchase money is hereby waived.
 - c) Buyer reserves the right to make a pre-settlement inspection of the Property.

- 15) ASSESSMENTS AND NOTICES:
- a) As of the acceptance date of this Agreement, Seller represents the following:
 - (i) No public assessment or notice of a future public assessment for any matter including water, sewer, sidewalk or curbs has been made against the property; and
 - (ii) No condominium or homeowner association assessments have been made against the Property which remain unpaid.
 - b) Buyer acknowledges that taxes may increase due to changes in assessment or millage rates.
 - c) Seller has no knowledge of any notice by any governmental or public authority relating to violations of zoning, housing, building, safety or fire ordinances or codes.
- 16) MAINTENANCE AND RISK OR LOSS:
- a) Seller shall maintain the property and any personal property specifically scheduled herein in its present condition, normal wear and tear excepted.
 - b) Seller shall bear risk of loss from fire or other casualties until time of settlement. In the event of damage to any property included in this sale by fire or other casualties, not repaired or replaced prior to settlement, Buyer shall have the option of rescinding this Agreement and receiving all monies paid on account or of accepting the property in its then present condition together with the proceeds of any insurance recovery obtainable by Seller. Buyer is hereby notified that Buyer may insure Buyer's equitable interest in this property as of the time of the acceptance of this Agreement.
- 17) STATUS OF WATER AND SEWER: Seller warrants that the property is NOT serviced by public water and public sewer, but such utilities are accessible to the property.
- 18) DEFAULT: Time shall be of the essence with respect to the performance of any obligation arising under this Agreement. Should Buyer violate or fail to fulfill and perform any of the terms or conditions of this Agreement, Seller may, at Seller's option, elect:
- a) to declare this Agreement of Sale null and void; and
 - b) accept One Thousand Five Hundred (\$1,500.00) Dollars as liquidated damages, after which Buyer shall be released from all liability or obligation hereunder and this Agreement shall become null and void.

Should Seller violate or fail to perform any of the terms or conditions of this Agreement, Buyer may elect:

- c) to pursue Buyer's remedy for specific performance of this Agreement; or
- d) accept liquidated damages in the sum of One Thousand Five Hundred Dollars (\$1,500.00) from Seller.

- 19) AUTHORIZATION: Buyer and Seller shall cooperate in providing information to individuals, government organizations, financial institutions, or any others which may be required to carry out the terms of this Agreement by any party. Further, the undersigned represent and warrant that each has the authority to execute this Agreement binding Buyer and Seller and that Buyer and Seller have enacted, passed or otherwise taken all steps required to execute this Agreement and all other necessary actions to complete the purchase and sale of this Property as contemplated herein.
- 20) DEPOSIT: Any deposit paid hereunder shall be held by Buyer's title agent or attorney.
- 21) TRANSFER TAXES: All local and state real estate transfer taxes, if any, will be shared equally between Buyer and Seller (50% Buyer and 50% Seller).
- 22) DESCRIPTIVE HEADING: The descriptive headings used herein are for convenience only and they are not intended to indicate all of the matters in the sections which follow them. Accordingly, they shall have no effect whatsoever in determining the rights or obligations of the parties.
- 23) SELLER DISCLOSURES:
 - a) Material defects to be remedied as a condition of transfer: To the best of Seller's knowledge, Seller knows of no material defects of the Property, including but not limited to, energy conservation and/or safety retrofit(s), required by local ordinance as a condition of transfer.
 - b) Compliance with laws: To the best of Seller's knowledge, the Property and all improvements thereon are in compliance with all applicable laws, regulations and other similar governmental standards and requirements for use as a public school and that no material structural modifications or alterations of the improvements on the Property have been made without appropriate permits.
 - c) Hazardous materials: Except as to the presence of asbestos, underground storage tank(s) and other hazardous materials previously disclosed to Buyer by Seller, to the best of Seller's knowledge, the Property is not contaminated with any other hazardous materials, including, but not limited to asbestos, PCB transformers, other toxic, hazardous or contaminated substances, and underground storage tanks. Seller has disclosed to Buyer any and all information which Seller has regarding the presence and location of any hazardous material on or about the Property. Buyer agrees to make its own investigation regarding hazardous materials as it deems necessary.
 - d) No public assessment or notice of a future public assessment for any matter including water, sewer, sidewalk or curbs, has been made against the property.

- e) Buyer acknowledges that taxes may increase due to change of assessment or millage rates.
- 24) GOVERNING LAW: This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.
- 25) SUCCESSORS & ASSIGNS: This Agreement and any Addenda attached hereto shall be binding upon and inure to the benefit of the heirs, successors, agents, representatives and assigns of the parties hereto.
- 26) TIME: Time is of the essence of this Agreement.
- 27) RECORDING: This Agreement shall not be recorded in the Office for the Recording of Deeds or in any other office or place of public record.
- 28) ATTORNEYS' FEES: In any litigation, arbitration or other legal proceeding which may arise between any of the parties hereto, each party shall bear its own costs, including court costs, costs of arbitration, and attorney's fees.
- 29) REVERSIONARY INTEREST: The Buyer acknowledges and agrees that the Deed into Buyer shall contain a reversionary clause that provides that the property will revert back to the Seller in the event the property ever ceases to be used for public purposes or in the event Buyer attempts to offer it for sale.
- 30) RATIFICATION: Written acceptance of all parties must be obtained by April 15, 2021, or this Agreement automatically becomes Null and Void.
- 31) PROPERTY STUDIES: Seller has provided to Buyer copies of all existing engineering studies, building and site plans, soil tests, environmental studies and similar items in possession or control of Seller, without cost to Buyer. If Buyer terminates this Agreement, Buyer agrees to provide Seller, without cost to Seller, copies of any and all reports and studies commissioned by Buyer in connection with the property.
- 32) FIXTURES AND PERSONAL PROPERTY: N/A
- 33) AGREEMENT: THIS AGREEMENT CONTAINS THE WHOLE AGREEMENT BETWEEN THE SELLER AND BUYER. THERE ARE NO OTHER TERMS, OBLIGATIONS, COVENANTS, REPRESENTATIONS, STATEMENTS OR

CONDITIONS, ORAL OR OTHERWISE, OF ANY KIND WHATSOEVER CONCERNING THIS SALE, EXCEPT AS ATTACHED TO THIS CONTRACT.

This Agreement and any amendments thereto, may be executed by the parties by way of transmission through a facsimile (FAX) machine, such copy shall have the same legal enforceability and binding effect upon the parties as though it were signed by all parties in original form. Likewise, the Agreement and any Addendum(s) thereto, may also be executed in multiple copies, each of which shall constitute an original.

The undersigned Buyer, intending to be legally bound, hereby offers and agrees to purchase the above described Property for the price and upon the terms and conditions herein stated. This offer is made by Buyer to Seller on the ___ day of _____, 2021.

Buyer hereby acknowledges receipt of an executed copy of this Agreement.

BUYER:

By: _____ Attest: _____
Spring Grove Borough **Date** **Secretary**
President - Borough Council

SELLER'S ACCEPTANCE:

The undersigned Seller intending to be legally bound accepts/counter offers the foregoing offer and agrees to sell the Property to Buyer for the price and the terms and conditions as stated herein. Seller acknowledges receipt of an executed copy of this Agreement and authorizes Agent to deliver an executed copy to Buyer.

SELLER:

By: _____ Attest: _____
Spring Grove Area School District **Date** **Secretary**
President – Board of School Directors