

Village of South Chicago Heights
Abandoned Property Acquisition Program

PROPERTY ACQUISITION AND ESCROW AGREEMENT

WHEREAS, the Village of South Chicago Heights, Cook County, Illinois (the “*Village*”) is a home rule municipality pursuant to Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs (the “*Home Rule Powers*”); and

WHEREAS, _____ is the legal owner of record of the real estate located at _____, South Chicago Heights, IL 60411 (hereinafter “*Subject Property*”), PIN# _____, said property which is vacant and abandoned according to the Village of South Chicago Heights Vacant Property Ordinance; or, vacant and encumbered by numerous years of delinquent property taxes; or is vacant and has been unmaintained for an extended period thus resulting in it becoming encumbered by Village liens; and, whereas, the Subject Property has become a blight upon the neighborhood and Village; and, whereby all practical attempts to locate and contact the record owner have been futile; and

WHEREAS, _____ (*APAP Applicant’s name*) of _____ (*address*) has advised the Village that he/she desires to acquire title to the Subject Property for the purpose of rehabilitating and redeveloping the Subject Property, and has presented a preliminary plan for said rehabilitation; or other reasons _____

_____ (specify); and,

WHEREAS, such acquisition and rehabilitation would: eliminate the current blight being caused by the Subject Property, restore it to a useful purpose; generate employment opportunities; generate multiple revenues for the Village; return the Subject Property to the active property tax rolls; and, generally enhance the appearance, security and home values within the neighborhood of the Subject Property; and

WHEREAS, the Village is interested in Applicant's proposal and recognizes that the State of Illinois Compiled Statutes sets forth legal methods by which the Village may acquire title to the Subject Property, including but not limited to lien foreclosure, delinquent property tax purchases and abandoned property prosecution; and

WHEREAS, the Village is willing and able to initiate one of the above legal actions to acquire title to the Subject Property, but only on the assurance that the expenses associated in doing same are advanced by Applicant; and

WHEREAS, Applicant is agreeable to advancing funds to be held in escrow by the used to pay for said acquisition expenses as they occur; and, any escrow balance remaining after acquisition is nonrefundable; and, should legal expenses exceed said escrow balance, Applicant shall pay same to Village upon demand; and

WHEREAS, the final sale price of the Subject Property shall be determined by agreement of the parties after acquisition of the deed by the Village and the same shall be reflected in the purchase and sale agreement executed by the parties; and

WHEREAS, should the parties fail to agree on a final sale price within 30 days of the Village's acquisition of the Subject Property, this agreement shall immediately terminate and the Village shall be under no further obligation to Applicant; and

WHEREAS, the Village President and Board of Trustees of the Village of South Chicago Heights (the “*Corporate Authorities*”) deem it advisable and in the best interest of the Village to enter into a Property Acquisition and Escrow Agreement with Applicant in order to eliminate the aforementioned blighted condition of the Subject Property and to promote the general health and welfare of the residents of South Chicago Heights and to allow the legal process to commence.

IT IS THEREFORE AGREED AS FOLLOWS:

1. That the above recitals are incorporated herein as though specifically set forth;
2. That Applicant hereby advises the Village of his intention to have the Village acquire ownership of the abandoned property located at _____, South Chicago Heights, Illinois and Applicant makes this application for the purpose of purchasing the Subject Property from the Village if and when the Village acquires said deed.
3. Applicant agrees to advance funds to be held in escrow by the Village for the purpose of paying for expenses related to the acquisition of the Subject Property; The Parties agree that any escrow balance remaining after acquisition shall be applied to the purchase price of the Subject Property, or if said expenses exceed said escrow balance, Applicant shall pay same to Village upon demand.
4. Applicant hereby agrees to tender to the Village of South Chicago Heights the sum of **\$5,000** (or as otherwise may be determined in the Village’s sole discretion) to be held in escrow for the benefit of both parties and for the purpose of securing and making payments incurred by the Village for acquisition expenses associated with the Subject Property. Applicant hereby authorizes the Village to make payments from said escrow fund without further notice to Applicant as acquisition expense invoices come due. Such expenses shall include but are not limited to: legal fees; filing fees; title insurance or search related fees; and, consultant fees.
5. Applicant acknowledges and agrees that the Village can only acquire title and deed to the Subject Property by prosecuting certain provisions of the State of Illinois Compiled Statutes, and that the Village does not control the ultimate outcome of such prosecution. In other words, a court or other governmental agency presiding over the Village’s attempted acquisition of said Subject Property could deny the Village attempt to acquire such ownership and deed. In that event, the Village could not acquire ownership and deed and therefore, the Village would be unable to convey title and deed to Applicant.

6. Applicant understands the inherent legal risk in the process as set forth in paragraph 5 above, and for the good and valuable consideration set forth in this agreement, Applicant generally releases, holds harmless, indemnifies and will defend the Village from any and all claims, actions, causes of action, responsibility or liability for any action or debt arising out of this agreement and the Village's attempt to acquire title and deed to the Subject Property through a statutory process. Applicant especially releases the Village from any and all claims for a refund of the money placed in escrow as set forth in this agreement other than that set forth in paragraph 3 above. Applicant understands and agrees that the escrow fund deposited is NON-Refundable to the extent said funds have been expended or expenses have been incurred that have not yet been paid.
7. The parties hereto further agree that the Village is under no legal obligation to continue to attempt to acquire title to the Subject Property once the Village's legal attempt to acquire is denied or if Applicant ceases to fund the escrow account after demand by the Village.
8. In the event the Village is successful in acquiring title to the Subject Property the Village shall notify Applicant. Applicant shall then have seven days to advise the Village in writing that he is ready to close on the purchase of the Subject Property. Should Applicant advise the Village that he/she wishes to close, the Village shall draft a Redevelopment Agreement and Purchase and Sale Agreement that will be presented to the Corporate Authorities for approval. Once approved, said agreements shall be executed by the parties. Once the Village has finalized the clearance of delinquent tax issues, tax buyer issues or other similar encumbrances the parties shall proceed to closing within 30 days or as otherwise may be agreed. Should Applicant fail to advise the Village of his intentions within seven days of the Village's notice, this agreement shall immediately terminate and the Village shall be under no further obligation to Applicant.
9. The Village's sole obligation to Applicant at closing is to issue a Quit-Claim deed to Applicant transferring to him/her the Village's interest in the Subject Property. The Village makes no representations, warranties or guarantees relative to the deed or chain of title or title exceptions or delinquent taxes relating to the Subject Property. The Village shall incur no expenses in the closing. The cost of closing shall all be borne solely by Applicant, including costs customarily considered "sellers costs". The Village will NOT provide title insurance, survey or a tax proration or proration of any kind. The Village will not be required to clear title exceptions. Applicant will be responsible for scheduling and obtaining Village Building Department inspections and posting required repair escrows with the Building Department. The sale of the Subject Property to Applicant is in an "as is" and "where is" condition.

10. Final sale price shall be determined by agreement of the parties after acquisition of the deed by the Village and same shall be reflected in the Purchase & Sale Agreement executed by the parties. Factors to be considered in determining the sales price shall include, but are not limited to: expenses incurred by the Village, revenue unrealized by the Village caused by the abandonment of the Subject Property, and condition of the Subject Property as compared to market value of similar properties in the vicinity.

AGREED TO AS OF THIS _____ DAY OF _____, 2024.

Village of South Chicago Heights:

Applicant:

Signature

Signature

Printed Name & Title

Printed Name & Title