



CITY of NOVI CITY COUNCIL

Agenda Item P
December 21, 2015

SUBJECT: Authorization to complete purchase of approximately 3.15 acre parcel of property north of Twelve Mile Road on the west side of Novi Road from Eileen S. Schmidt, Trustee of the Steve Nahina Trust u/a/d August 31, 1978, for a purchase price not to exceed \$17,000 plus closing costs determined by the City at the time of closing, subject to final review and approval as to form of purchase and transfer documents by the City Manager and City Attorney.

SUBMITTING DEPARTMENT:

CITY MANAGER APPROVAL: *AK*

BACKGROUND INFORMATION:

This vacant property is on the west side of Novi Road, north of Twelve Mile. It contains significant environmental features, including woodlands and wetlands. The land around it owned by others is also largely vacant. While the City has no current interest in developing the parcel, the owner has offered it to the City at a discounted price reflecting essentially the amounts recently paid for real estate taxes.

If Council approves completion of the purchase, consideration for the property would be \$17,000. At closing, the City would be responsible to pay typical closing costs. Currently, delinquent taxes payable to the County amount to \$9,456.11 (2013 and 2014). Taxes payable to the City for 2015 add up to an additional \$3, 694.99. At closing, the City would owe some reimbursement of the 2015 taxes. The City Attorney has reviewed title work prepared by Seaver Title, attached hereto, and is satisfied with the condition of the title to the property.

RECOMMENDED ACTION: Approval of authorization to complete purchase of approximately 3.15 acre parcel of property west of Twelve Mile Road on the west side of Novi Road from Eileen S. Schmidt, Trustee of the Steve Nahina Trust u/a/d August 31, 1978, for a purchase price not to exceed \$17,000 plus closing costs determined by the City at the time of closing, subject to final review and approval as to form of purchase and transfer documents by the City Manager and City Attorney.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Burke				
Council Member Casey				

	1	2	Y	N
Council Member Markham				
Council Member Mutch				
Council Member Wrobel				



SEAVER TITLE AGENCY
A DIVISION OF ATTORNEY TITELAGENCY

Update #1 Revision #1
Commitment for Title Insurance
Schedule A

File No : 63-15427504-BLM

Commonly Known As: , , MI 48152

1. Effective Date: **July 01, 2015, at 8:00 am**
2. Policy or policies to be issued: AMOUNT
 - (a) OWNERS POLICY WITH STANDARD EXCEPTIONS **\$20,000.00**
Proposed Insured:
City of Novi
 - (b) LOAN POLICY
Proposed Insured:

3. The estate or interest in the land described or referred to in this Commitment and covered herein is **Fee Simple** and title thereto is at the effective date hereof vested in:

Eileen S. Schmidt, Trustee of the Steve Nahina Trust Dated August 31, 1978

4. The land referred to in this commitment is situated in the City of Novi, County of Oakland, State of Michigan, as follows:

SEE EXHIBIT A

COUNTERSIGNED:
SEAVER TITLE AGENCY

Steven M. Greco
AUTHORIZED SIGNATORY

Seaver Title Agency
42651 Woodward Ave.
Bloomfield Hills, MI 48304
Ph:(248) 338-6620 Fax:(248) 975-4178

Agent for: **OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**

This commitment valid and binding for a period of 90 days from the date hereof. Thereafter it is void and of no effect.
SCHEDULE A of this commitment--Page 1

EXHIBIT "A"

The land referred to in this commitment is described as follows: City of Novi, County of Oakland, State of Michigan

A parcel of land being part of the Southeast 1/4 of Section 10, Town 1 North, Range 8 East, City of Novi, Oakland County, Michigan, being described as: Beginning at a point distance North 00 degrees 14 minutes 00 seconds West 320 feet and North 89 degrees 56 minutes 11 seconds West 60 feet from the Southeast Section Corner; thence North 89 degrees 56 minutes 11 seconds West 368.49 feet; thence North 00 degrees 52 minutes 00 seconds West 369.97 feet; thence South 89 degrees 53 minutes 19 seconds East 372.58 feet; thence South 00 degrees 14 minutes 00 seconds East 369.98 feet to the point of beginning.

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SCHEDULE A of this commitment--Page 2

**Schedule B-I
(REQUIREMENTS)**

File No: 63-15427504-BLM

The following requirements to be complied with:

1. Standard requirements as set forth in jacket.

NOTE: In the event the Commitment Jacket is not attached hereto, all of the terms, conditions and provisions contained in said Jacket are incorporated herein. The Commitment Jacket is available for inspection at any Company office.

2. Instruments necessary to create the estate or interest to be insured must be executed by, delivered and duly filed for record.
3. You must tell us in writing the name of anyone not referred to in this commitment who will get an interest in the Land or who will make a loan on the Land. We may make additional requirements or exceptions relating to the interest or the loan.
4. Pay the agreed amounts for the Title and/or the mortgage to be insured.
5. Pay us the premiums, fees and charges for the policy.
6. Submit evidence satisfactory to the Company of the statutory authority under which the City of Novi has the authority to purchase subject property. This commitment is subject to such further requirements may then be deemed necessary.
7. Prior to closing, submit for approval a copy of the trust agreement referred to as Steve Nahina Trust Dated August 31, 1978, and any amendment(s) thereto. This commitment will be subject to such further requirements as may be deemed necessary after examination of the aforementioned trust agreement.
8. Warranty Deed from recited owner to recited purchaser.
9. Record with the Oakland County Register of Deeds a Certificate of Redemption from the Certificate of Forfeiture of Real Property, for non-payment of property taxes, recorded April 13, 2015, in Liber 48065 Page 593, Oakland County Records.

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This commitment is invalid unless the insuring Provisions and Schedules A and B-II are attached.
SCHEDULE B-I of this commitment--Page 3

Continuation of SCHEDULE B-I (REQUIREMENTS)

Commitment No. 63-15427504-BLM

10. PAYMENT OF TAXES: Tax Parcel No.: 22-10-400-055

2015 City Taxes in the amount of \$2,623.17 are DUE

2014 County Taxes in the amount of \$952.80 are DUE

2013 Taxes are Due/Delinquent

2014 City Taxes are Due/Delinquent

Special Assessments: None

- 2015 State Equalized Value: \$68,050.00

- 2015 Taxable Value: \$67,660.00

The amounts shown as due do not include collection fees, penalties or interest.

**Schedule B-II
(EXCEPTIONS)**

File No.: 63-15427504-BLM

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company.

1. Rights or claims of parties in possession not shown by the Public Records.
2. Any facts, rights, interests or claims not shown by the Public Records but that could be ascertained by an accurate survey inspection of the Land or by making inquiry of persons in possession thereof of the Land.
3. Easements, claim of easements or encumbrances that are not shown in the Public Records and existing water, mineral, oil and exploration rights.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title including discrepancies, conflicts in boundary lines, shortage in area, or any other facts that would be disclosed by an accurate and complete land survey of the Land, and that are not shown in the Public Records.
5. Any lien or right to lien for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the Public Records.
6. The lien, if any, of real estate taxes, assessments, and/or water and sewer charges, not yet due and payable or that are not shown as existing liens in the records of any taxing authority that levies taxes or assessments on real property or in the Public Records; including the lien for taxes, assessments, and/or water and sewer charges, which may be added to the tax rolls or tax bill after the effective date. The Company assumes no liability for the tax increases occasioned by the retroactive revaluation or changes in the Land usage or loss of any homestead exemption status for the insured premises.
7. Defects, liens, encumbrances, adverse claims or other matters, if any created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the Proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this commitment.
8. Rights of the public and of any governmental unit in any part of the land taken, used or deeded for street, road or highway purposes.

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SCHEDULE B-II of this commitment--Page 5



PRIVACY POLICY NOTICE

Seaver Title Agency and its family of affiliated companies, respect the privacy of our customers' personal information. This Notice explains the ways in which we may collect and use personal information under the Seaver Title Agency Privacy Policy.

Seaver Title Agency as an agent for Old Republic National Title Insurance Company provides title insurance products and other settlement and escrow services to customers. The Seaver Title Agency Privacy Policy applies to all Seaver Title Agency customers, former customers and applicants.

What kinds of information we collect: Depending on the services you use, the types of information we may collect from you, your lender, attorney, real estate broker, public records or from other sources include:

- information from forms and applications for services, such as your name, address and telephone number
- information about your transaction, including information about the real property you bought, sold or financed such as address, cost, existing liens, easements, other title information and deeds
- with closing, escrow, settlement or mortgage lending services or mortgage loan servicing, we may also collect your social security number as well as information from third parties including property appraisals, credit reports, loan applications, land surveys, real estate tax information, escrow account balances, and sometimes bank account numbers or credit card account numbers to facilitate the transaction, and
- information about your transactions and experiences as a customer of ours or our affiliated companies, such as products or services purchased and payments made.

How we use and disclose this information: We use your information to provide you with the services, products and insurance that you, your lender, attorney, or real estate brokers have requested. We disclose information to our affiliates and unrelated companies as needed to carry out and service your transaction, to protect against fraud or unauthorized transactions, for institutional risk control, to provide information to government and law enforcement agencies and as otherwise permitted by law. As required to facilitate a transaction, our title affiliates record documents that are part of your transaction in the public records as a legal requirement for real property notice purposes.

We do not share any nonpublic personal information we collect from you with unrelated companies for their own use.

We do not share any information regarding your transaction that we obtain from third parties (including credit report information) except as needed to enable your transaction as permitted by law.

We may also disclose your name, address and property information to other companies who perform marketing services such as letter production and mailing on our behalf, or to other financial service companies (such as insurance companies, banks, mortgage brokers, credit companies) with whom we have joint marketing arrangements.

How we protect your information: We maintain administrative, physical, electronic and procedural safeguards to guard your nonpublic personal information. We reinforce our privacy policy with our employees and our contractors. Joint marketers and third parties service providers who have access to nonpublic personal information to provide marketing or services on our behalf are required by contract to follow appropriate standards of security and confidentiality.

If you have any questions about this privacy statement or our practices at Seaver Title Agency, please write us at: **Seaver Title Agency c/o 31440 Northwestern Highway, Ste. 100, Farmington Hills, Michigan 48334. Attn: Legal Resources.**

Commitment for Title Insurance



Issued By Old Republic National Title Insurance Company

Old Republic National Title Insurance Company, a Minnesota corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in

Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate six (6) months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

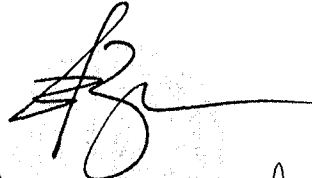

IN WITNESS WHEREOF, Old Republic National Title Insurance Company has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.

Continued on next page

COUNTERSIGNED:
SEAVER TITLE AGENCY
42651 Woodward Ave.
Bloomfield Hills, MI 48304
Ph:(248) 338-6620 Fax:(248) 975-4178

Jason P Seaver
Jason P. Seaver
Authorized Signature

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

By  President
Attest  Secretary

CONDITIONS

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquired actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and Conditions and Stipulations and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.
5. *The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <<http://www.alta.org/>>.*

FEE SHEET & WIRE INSTRUCTIONS

Closing Fees

Closing Fee (Mortgage):	\$550.00	Buyer Fee
Wire Fee	\$15.00	Seller Fee
International Wire Fee (*minimum charge)	\$30.00*	Buyer Fee
Endorsement Fee (chain of title) – if applicable:	\$50.00	Buyer Fee
Courtesy Closing Fee:	\$150.00	Buyer Fee
203K Final Endorsement:	\$100.00	Buyer Fee
Electronic Filing Fee	\$3.50	Per Doc - if applicable
Closing Fee (Cash):	\$200.00	Buyer or Seller – Refer to Purchase Agreement
Closing Fee (Cash, HUD-Owned):	\$300.00	Buyer or Seller – Refer to Purchase Agreement
Closing Fee (Land Contract):	\$350.00	Buyer Fee \$175, Seller Fee \$175
Closing Fee (Refinance):	\$200.00	Borrower Fee
FSBO Fee:	\$400.00	Seller Fee, in addition to any applicable closing fees
FSBO Deposit:	\$300.00	Seller Fee – non-refundable – applied to closing costs
Deed Escrow Fee:	\$200.00	Buyer Fee
Certified Check Fee (if applicable):	\$25.00	Seller Fee

Construction Fees

Construction Draw Loan Fee:	\$250.00	Buyer Fee
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Short Sales

Closing Fee:	\$600.00	Seller Fee
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2nd Mortgage

Closing Fee:	\$200.00	Buyer Fee
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INCOMING WIRE INSTRUCTIONS

PLEASE WIRE FUNDS TO:

**Seaver Title Agency
 42651 Woodward Ave.
 Bloomfield Hills, MI 48304**

Bank Name: PNC Bank
 Bank Address: 500 First Avenue
 Pittsburgh, PA 15219
 ABA No.: 041000124
 Account Name: Seaver Title Agency
 Account No.: 4245723475
 Reference: Borrower Name and/or Subject Property

File No.: 63-15427504-BLM
 Borrower(s): City of Novi
 Property Address: , MI 48152

Email loan documents to: bloomfieldescrow@atatitle.com

Thank you!

Telephone: (248) 338-6620

Fax: (248) 975-4178