

City of Sedgwick
City Council Meeting
May 7, 2025

TO: Mayor and City Council

SUBJECT: Purchase Agreement – TYR Manufacturing

INITIATED BY: Administration

AGENDA: New Business

Recommendation: It is recommended that city council approve the purchase agreement as presented.

Background: TYR Manufacturing is an established manufacturing company located in Sedgwick Industrial Park. To facilitate future expansion, the City and TYR Manufacturing have reached an agreement to sell the T-Shape building in “as is” condition for a consideration price of \$20,000 with a local property tax abatement of two years. They plan to utilize the facility for material storage in anticipation of the growth of the business and are investing approximately \$250,000 in the structure.

Financial Considerations: The purchase agreement states that a consideration of \$20,000 plus 100% of closing costs for the property will be paid by the buyer. In return, the City agrees to reimburse the city portion of property taxes paid for the next two (2) years. Property tax estimates equal \$8,442.06 annually or \$16,884 over two (2) years.

Recommendations/Actions: It is recommended that the city council approve the purchase agreement as presented.

Attachments: Purchase agreement

PURCHASE AGREEMENT

This agreement is made and entered into by and between Gladius et Scutum Spendthrift Trust, ("Gladius"), hereinafter referred to as the "BUYER" and the CITY OF SEDGWICK, KANSAS, hereinafter referred to as the "CITY".

WHEREAS, Seller is the record owner of the following described real property located in the City of Sedgwick, Kansas (the "Property"):

30003831-W 110 FT LOT 6 EXC S 95 FT THEREOF BLOCK 1 SEDGWICK INDUSTRIAL PARK ADDITION

30016121-E 82.67 FT E 240 FT W 1328 FT N 323 FT S 1/2 NW 1/4 SEC 3-25-1W

30016123- E 82.67 FT E 240 FT W 1328 FT S 95 FT N 418 FT S 1/2 NW 1/4 SEC 3-25-1W

30016124- S 95 FT W 110 FT LOT 6 BLOCK 1 SEDGWICK INDUSTRIAL PARK ADDITION

WHEREAS, Seller wishes to sell and Buyer wishes to purchase the Property upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Buyer and the Seller agree as follows:

Consideration. The Buyer agrees to pay \$20,000.00 in consideration for the purchase of the Property (the "Consideration").

Closing; Delivery of Deed. Closing shall occur within 30 days after the execution of this Agreement. Seller agrees to properly execute and deliver to Buyer a General Warranty Deed and such other documents reasonably necessary to complete the closing.

Closing Costs. Buyer agrees to pay 100% of the associated closing costs. In the event a title or abstract company prepares a Deed, Affidavit of No Liens, or other necessary documents to complete this transaction, the charge for the same, in addition to the cost of closing the transaction, will be paid 100% by the Buyer.

Trustee. Ryan Bernard is the trustee of Gladius (the "Trustee") and has authority to act on behalf of and bind Gladius to this Agreement.

Tax Abatement. The Seller will abate 100% of City issued property tax on the Property for a period of two years. If Buyer sells the Property during the 2-year abatement period, buyer will reimburse the City any taxes would have been owed prior to any such sale of the Property by the Buyer but for the abatement thereof.

Non-Transferability. This Agreement is non-transferable.

Termination. Neither party has the right to terminate this Agreement except by a separate written agreement signed by both parties.

Entire Agreement and Manner of Modification. This Agreement, and any attachments, constitutes the entire agreement of the parties with respect to the subject matter of this transaction. It supersedes all other representations or agreements. It may be modified only by a separate written agreement signed by both parties.

Default and Remedies. Seller or Buyer shall be in default under this Contract if either fails to comply with any material covenant, agreement or obligation within any time limits required by this Agreement. Following a default by either Seller or Buyer under this Agreement, the other party shall have all remedies provided by law for such breach, including specific performance, each party to bear their own costs and attorneys' fees.

Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

Severability. In the event any provision or part of this Agreement is found to be invalid or unenforceable, only that particular provision or part so found, and not the entire Agreement, will be inoperative.

Environmental Conditions. Seller has disclosed to buyer the existence of hazardous chemicals located on the Property. Buyer is purchasing property in its "where is, as is" condition. Seller has not made any other representations concerning the environmental conditions of the property including the presence of noxious weeds as defined in K.S.A. 2-1314.

Additional Property Rights. If Seller possesses any water rights, wind rights, and or mineral rights in or to the Property, all such rights will transfer to Buyer at closing without warranty of any kind.

Inspection. Buyer has inspected the property to their satisfaction and is purchasing the subject property in its "AS IS, WHERE IS" condition. Seller is making no representations or warranties, express or implied, regarding the value, profitability, merchantability, fitness, environmental or physical condition or usefulness of the property, other than as expressly made in this Agreement. Buyer acknowledges receipt of a title insurance commitment and all other pertinent documents. In making the decision to buy the Property, Buyer is relying wholly and completely on Buyer's own judgement and the judgement of any agents Buyer may have selected.

Waiver. Buyer freely makes the following waiver: BUYER ACKNOWLEDGES THAT BUYER HAS CAREFULLY INSPECTED THE PROPERTY AND SUBJECT TO ANY INSPECTIONS ALLOWED IN THIS AGREEMENT, BUYER AGREES TO PURCHASE THE PROPERTY IN ITS PRESENT CONDITION ONLY, WITHOUT WARRANTIES OR GUARANTEES BY SELLER CONCERNING THE CONDITION OR VALUE OF THE PROPERTY, OTHER THAN AS EXPRESSLY MADE IN THIS AGREEMENT. BUYER HAS BEEN ADVISED TO HAVE THE PROPERTY EXAMINED BY PROFESSIONAL INSPECTORS. BUYER ACKNOWLEDGES THAT SELLER IS NOT AN EXPERT AT DETECTING OR REPAIRING PHYSICAL DEFECTS IN THE PROPERTY. EXCEPT AS EXPRESSLY DISCLOSED IN THIS AGREEMENT, SELLER HAS MADE NO REPRESENTATIONS REGARDING THE

PROPERTY OR ITS CONDITION, INCLUDING BUT NOT LIMITED TO, ANY ENVIRONMENTAL CONDITION THEREON AND BUYER DECLARES THAT NO REPRESENTATIONS CONCERNING THE CONDITION OF THE PROPERTY ARE BEING RELIED UPON BY BUYER

THIS AGREEMENT is hereby executed on this 7th day of May, 2025.

Buyer, Gladius et Scutum Spendthrift Trust
By: Ryan Bernard

THIS AGREEMENT was approved by vote of the City Council of the City of Sedgwick, Kansas on the 7th day of May, 2025, and is hereby executed on this 7th day of May, 2025.

Seller, The City of Sedgwick, Kansas
Mayor, Bryan Chapman