

**MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding ("MOU") is hereby entered into this 2<sup>nd</sup> day of May, 2016 by and between the **City of Memphis, TN**, a Tennessee municipal corporation, by and through its Department of General Services, ("Seller"), and **Ray Gladney** ("Purchaser"), which are collectively referred to as the "Parties".

**RECITALS**

- A. **WHEREAS**, the City's Department of General Services instituted a Mow to Own Program ("Program") as part of the City of Memphis' ongoing efforts to improve neighborhoods by returning vacant, abandoned, and underutilized properties into productive community assets; and,
- B. **WHEREAS**, under the Program homeowners may qualify and be approved for the purchase of vacant lot(s) adjacent to their home; and
- C. **WHEREAS**, under the Program non-profit organizations that are registered and in good standing with the State of Tennessee, that are existing stakeholders within the same neighborhood as specific vacant lots may qualify and be approved for purchase thereof; and,
- D. **WHEREAS**, the Purchaser has successfully submitted an application, to the Seller, attached here to and made a part here of and marked "Exhibit A" ("Application"), outlining the Purchaser's maintenance program of the specific vacant lot(s) identified as "Exhibit B" attached here to and made a part hereof; and,
- E. **WHEREAS**, in exchange for the Purchaser's commitment to maintain the vacant lot(s), the Seller agrees to permit the non-exclusive use thereof; and,
- F. **WHEREAS**, the Parties are in agreement and desire to memorialize their intentions relative to the purchase of the vacant lot(s); and,

**NOW, THEREFORE**, subject to subsequent approval of Memphis City Council, the Parties hereby agree as follows:

- 1. Subject to all terms and conditions of this MOU and the Application, the Seller may submit to the Memphis City Council a resolution requesting authority to sell, "As-Is Where-Is" by quitclaim deed, the following real property ("Property") to the Purchaser:

Tax Parcel № 021110 00028;

Commonly known as 832 Speed St, Memphis, TN 38107-4345;

Situated in the County of Shelby, in the State of Tennessee, and in the City of Memphis and bounded and described as follows:

Being Lot Number twenty-nine - thirty one (29-31) of N OLYMPIC PARK BLK E, as the same is numbered and delineated upon the recorded plat thereof, of record in Plat Book 3, page 74, Shelby County Register's Office, Shelby County, Tennessee.

2. Purchaser shall pay the Seller the recording fee to the Shelby County Register.
3. The Seller will credit to the Purchaser at the time of conveyance, the sum not to exceed One Thousand Three Hundred and Fifty Dollars and 00/100 U.S. Dollars (\$1,350.00) against the agreed upon purchase price, for the value of the maintenance made to the Property according to the Application. If this MOU is terminated for any reason or if the sale of the Property is not approved by Memphis City Council, Purchaser agrees that it shall not be reimbursed or compensated for any maintenance undertaken on the Property.
4. Until conveyance of the Property to the Purchaser, Purchaser may only have non-exclusive rights of access and use of the Property consistent with the terms of this MOU and the Application. Purchaser shall not permit any waste or damage to Property and shall not occupy or use the Property for any purposes that are unlawful, hazardous, unsanitary, noxious, or offensive.
5. Purchaser shall not conduct any business on the Property for profit or otherwise, except for the permitted access and maintenance uses described in this MOU.
6. Purchaser shall not store or use petroleum-based products, fertilizers, pesticides, or other chemicals on the Property, while the Property is still owned by the Seller
7. No alcoholic beverages or controlled substances of any kind shall be permitted, consumed, used, or kept on the Property, while the Property is still owned by the Seller.
8. At the time the Quit Claim deed is recorded, the City shall submit the necessary application with the Shelby County Assessor's Office to combine the Property with the Purchaser's existing adjacent property, if applicable.
9. Purchaser shall continue to maintain the Property in a manner consistent with the Application and all local, state, and federal laws, regulations, and property/housing/zoning codes.
10. Purchaser hereby waives and releases the City of Memphis, TN all of its departments and divisions and all of its employees, agents or other representatives from any loss, claim,

cause of action, damage, or liability whatsoever, whether without limitation strict or absolute liability in tort or by statute imposed, charge, cost or expense, including without limitation, attorneys' fees to the extent any damage or loss to property or injury or death resulting in any manner from this MOU, Application, or exercising the rights and obligations therein.

- 11. Purchaser hereby agrees to indemnify the City of Memphis, TN, all of its departments and divisions and all of its employees, agents or other representatives against any monetary award, both compensatory and punitive, or equitable relief by a judge or jury that may result from damages or loss to persons or property sustained as a result of this MOU, Application, or exercising the rights and obligations therein.
- 12. Purchaser shall not permit any interest or lien to be placed on the Property, while the Property is still owned by the Seller.
- 13. In the event the Purchaser:
  - A. Fails to perform the terms of this MOU; or
  - B. No longer owns a lot adjacent to the Property; or
  - C. Violates the terms of the Application, including the timely payment of the purchase price; or
  - D. If the Memphis City Council fails to pass the necessary Resolution,

This MOU shall automatically terminate and become null and void and neither party shall have further liability to the other arising out of this MOU, except paragraphs 10, 11 and 12, which shall survive.

- 14. Purchaser shall not assign, lease or otherwise transfer any rights under this MOU, without the written consent of the City of Memphis, Department of General Services and City Council.

IN WITNESS WHEREOF, the Parties have executed this MOU this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

**CITY OF MEMPHIS, TN**

a municipal corporation

Melanie Ornel  
Administrator

Memphis Code Enforcement Property Services

Ray Gladney  
Ray Gladney  
Purchaser

RETURN TO:  
City of Memphis Real Estate Office  
125 N. Main Street, Room 568  
Memphis, TN, 38103  
(901) 576-6673

### Who should complete this application?

This application is for persons wishing to purchase City owned vacant, abandoned, and underutilized parcels ("City Property") that adjoin their property. If you are interested in the Mow to Own Program please review the guidelines and complete the Addendum (MOU) in addition to this application. The Mow to Own Program will sell City Property to two types of Purchasers:

1. Adjoining property owners: Adjoining property owners are those who share a common property line with the City Property; and shall include those property owners who own the property across the street, directly in front of the City Property or are separated by a rear alley;
2. Non-profit organizations: Non-profit organizations with 501(c)(3) status that are chartered or authorized to serve the same neighborhood in which the City Property is located that own adjoining property which successfully maintains the City Property for a minimum of one year.

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### What will it cost me to purchase the City Property?

The cost is the approximate market value of the City Property, as determined by City staff, the Shelby County Assessor's appraised value, or other professional appraisal accepted by City staff. The minimum value for a parcel to be considered for registration in the Mow to Own Program is \$500.00 and the maximum amount is \$10,000.00.

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### What else do I need to know before getting started?

It is in your best interest to read and understand the material in this section before proceeding with the application. Please read the following information; afterwards sign and date on the last page of this document.

- After City staff's approval, transactions must be authorized by Memphis City Council.
- The City reserves the right to condition the sale on the Purchaser's acceptance of deed restrictions.
- The City reserves the right to require that the City Property and the Purchaser's adjoining property be combined into one tax parcel.
- The City reserves the absolute right to accept or reject any and all land use/development proposals and offers for purchase.
- All personal information disclosed to the Code Enforcement Office of the City will be held confidentially to the extent allowed by law.
- On completion of the terms of the maintenance agreed to, you will be issued a 1099 or other appropriate IRS form from the City of Memphis showing the amount of credit earned as "earned income" to you or your organization and you will be classified as an independent contractor for all purposes contained herein.
- For City Property purchases with an established purchase price that exceeds the maximum amount available for credit under the Mow to Own Program, the City of Memphis will only accept a bank check or other type of payment with guaranteed funds such as a cashier's check, certified check, check from a title company escrow account, or money order for that excess amount.

**Application for the purchase of City Property into the Mow to Own Program**

An adjoining property owner or non-profit organization may apply.

Name:	RAY Gladney
Address:	828 Speed St. Memphis TN 38107
Phone Number(s):	901 220-4673
E-mail(s):	RAY Gladney 05 (A) gmail.com

**Please Respond to the Following Statements:**

1. I am the following type of Purchaser:
  - Adjoining property owner:** Adjoining property owner whose property shares a common property line with the City Property; or a property owner whose property is located across the street, directly in front of the City Property or are separated by an alley.
  - Non-profit organization:** A Non-profit organization with 501(c)(3) status that is chartered or authorized to serve the same neighborhood in which the City Property is located that owns adjoining property.
  
2. List all properties owned by the Applicant or Applicant's affiliated Company/Organization(s) in Shelby County. Identify, with an asterisk, any properties with vacant structures.

Parcel Number:	Address:
Parcel Number:	Address:
Parcel Number:	Address:

*Note: Please attach additional paper if needed.*

- a. Do any of the properties have delinquent city or county taxes?     Yes     No
- b. Do any of the properties have delinquent MLGW accounts?     Yes     No
- c. Do any of the properties have Environmental Court violations?     Yes     No

3. Have you or your Company/Organization ever been found guilty by Environmental Court of violating the City Housing Code? Please explain a "yes" answer below. Use additional paper if needed.

Yes

No

- The City reserves the right to reject the applications of any applicant for any reason, including but not limited to the following:
  - Applicants who are delinquent in the payment of local property taxes
  - Applicants who own unoccupied properties
  - Applicants whose properties are in violation of City Codes.

**Tax Payment/MLGW Info:**

- Include with your application a printout of the tax payment history from the Shelby County Trustee's and the City's e-payment website for each of the properties listed above. Alternatively, a copy of a paid receipt will be accepted.
- Include with your application a copy of all current MLGW bills for each of the properties listed above.
- Except in rare situations, applications from owners of tax delinquent properties or properties with tax liens will not be approved.

**About the property you wish to purchase: (To be completed by City of Memphis)**

Parcel ID Number: 021110 00028
Address: 832 Speed Street
Proposed Purchase Price: \$2000.00

**Why do you want to purchase this City Property? Please describe your plans for the property here.**

To keep it cut and paper and <sup>grass</sup> leaves picked up and to keep my property from looking bad and to help keep the neighborhood clean,

Application for the purchase of City Property into the Mow to Own Program

Non-refundable Processing Fee:

- A processing fee of \$175.00 per parcel of City Property is due with the submittal of this application. This fee is non-refundable and is in addition to the purchase price. Cashier's checks or money orders should be made payable to the "City of Memphis."

Oath & Authorization (Signature Required)

I, the applicant, hereby declare that the information in this application is true to the best of my knowledge, information, and belief. I also authorize the City of Memphis Code Enforcement Office to obtain any information necessary to verify the information supplied in this application.

Ray Gladney Date 5-2-16  
Signature

Ray Gladney  
Printed Name

State of Tennessee  
County of Shelby

On this, the 2nd day of May, 2016, before me a notary public, the undersigned officer, personally appeared Ray C. Gladney, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

In witness hereof, I hereunto set my hand and official seal.

Jonathan R. Hussey  
Notary Public

