

Application for Residential Development Program

APPLICATION INSTRUCTIONS

Please complete this form in its entirety. The Township seeks to transfer properties to responsible buyers who can successfully demonstrate a viable plan for the vacant lot. ROYAL OAK TOWNSHIP will enter into an Agreement of Sale with a qualified Applicant who has submitted a complete and acceptable Application. ROYAL OAK TOWNSHIP may require more information or perform a background check on the applicant(s).

Applications should be submitted via mail or in person to:

Charter Township of Royal Oak
21131 Gardenlane
2nd Floor, Grant School
Ferndale, MI 48220

Or, electronic applications may be submitted to supervisor@royaloaktwp.com with the subject line: "RDP Application – [insert Block/Lot # or street address]." Only PDF files will be accepted.

If you have any questions about submitting this Application or acquiring a property through ROYAL OAK TOWNSHIP please call 248-547-9800, Monday through Thursday 9am – 4pm.

The following items must be submitted with an application for it to be considered complete:

- **Application Form:** Must be signed and dated by all applicants. Must be fully completed, including the proposed redevelopment plan and estimated costs to acquire and develop the property.
- **Proof of Financing:** Can include a bank statement, letter from a bank, letter of credit/line of credit, etc. Due to the nature of this program, we are not able to work with loans at this time. Must be sufficient to cover the estimated costs to acquire and develop the property.
- **Photographs:** A minimum of two color photographs of the exterior of the existing site. The photographs should clearly show the property in its current state and context.
- **Application Fee:** The Application Fee is a required, non-refundable fee to process your application and must be paid by check or money order. Checks should be made payable to Charter Township of Royal Oak. Individual application fees are \$30; co-applicant fees are \$60.

ROYAL OAK TOWNSHIP reserves the right to decline to proceed with any Application for any property at any time.

APPLICANT ELIGIBILITY REQUIREMENTS

To be eligible for Residential Development Program, applicants:

- Must be current on taxes, water, sewage, and refuse bills on all properties owned.
- Must not have any outstanding code violations or municipal liens on properties owned.
- Must provide proof of necessary financing.

Non-profit and for-profit organizations are eligible to apply. The Township will evaluate a development organization's proven track record of completing, financing and selling its proposed product.

PROPERTY ELIGIBILITY REQUIREMENTS

Applications are subject to all Program requirements. Property eligibility will be determined on a case-by-case basis based upon consideration of a variety of factors. To be eligible for the Program, a property must at a minimum meet all preliminary eligibility requirements, including:

- Be a vacant lot or vacant structure, AND
- Be owned by Royal Oak Township

PRODUCTS AND PRICING STRUCTURE

Applicants will be responsible for all costs associated with acquiring a property through the Program. These costs include:

Item	Cost to Applicant ^{1, 2}
Application Fee	Each applicant will pay an application fee of \$30.
Parcel Fee ³	The applicant will pay a \$8,000.00 parcel fee per property (typ: 1/10ac platted lot).
Good Faith Deposit ⁴	The applicant will pay a good faith deposit of \$181.75 or 10% of the appraised value for properties valued over \$2,000.00.
Closing Costs	The applicant will pay all closing costs, such as transfer taxes, real estate taxes for the current year, recording fees, and closing fees. These costs average \$500.00.

1. The applicant may elect to purchase title insurance at an additional cost.
2. Pricing for a non-profit, community-based organization, or municipality will be determined on a case-by-case basis based upon the proposed re-use of the property.
3. In some cases, the cost of parcel acquisition could exceed the standard costs of \$8,000.00 per parcel. If the property is larger than 1/8ac, then the parcel fee may be adjusted to the appraised value. Should such circumstances arise, applicants will be notified of the anticipated additional expenses they would be responsible for and will decide whether they wish to proceed.
4. The good faith deposit is refundable less a recording fee if the applicant carries out their project plan within the timeframe outlined in their Conditional Agreement of Sale. The recording fee is \$181.75 as of the date of this application but is subject to change.

TIMELINE FOR PAYMENT AND ACQUISITION

Applications will be pre-screened for completeness and applicant and property eligibility. Failure to fill out all sections of the application, provide all requested documentation, or pay the application fee will delay this process. Substantially incomplete applications will be returned to the applicant and not considered for the Program. Applicants may be contacted if items are missing or additional information is required and given a deadline for submission of all materials, after which their application will be terminated.

Once an application is determined complete by ROYAL OAK TOWNSHIP, it will undergo a review process that typically takes a minimum of four months. Thereafter, the applicant will be sent a Conditional Agreement of Sale that outlines the terms and conditions of the sale of the property, including the associated costs. The applicant must return the signed Conditional Agreement of Sale and payment for the good faith deposit, and parcel fee (as applicable) for the acquisition process to begin.

After the applicant returns the signed Conditional Agreement of Sale and payment for the good faith deposit and parcel fee (as applicable), it typically takes a minimum of five months until closing. This time may vary based upon a number of factors. Applicants are responsible for all closing costs, such as transfer taxes, real estate taxes for the current year, recording fees, and closing fees. These costs are due at the time of closing. Applicants may elect to purchase title insurance at an additional cost.

The program, from the Township's receipt of a complete application to closing, takes a **minimum of 9-12 months.**

ROYAL OAK TOWNSHIP reserves the right to take back a property in the event that an applicant fails to complete the plans within the agreed upon period of time. ROYAL OAK TOWNSHIP would not reimburse the applicant for any costs incurred acquiring the property or making improvements to it.

APPLICATION

Please submit the complete application and all required supporting documentation to the address below. Applications may be accepted via email (supervisor@royaloaktwp.com). Failure to submit all required information may result in termination of the application.

Charter Township of Royal Oak
21131 Gardenlane
2nd Floor, Grant School
Ferndale, MI 48220

SECTION 1: APPLICANT INFORMATION

Legal Name of Applicant(s) The name of each individual or the organization applying for the property, as it should appear on all legal documents. If the applicant is an entity, a request for additional information will follow.	
Address of Applicant (Street Address, City, State, and Zip)	
Name of Contact Person	
Telephone Number of Contact Person	Home: _____ Other: _____
Email Address	
Do you currently own property that shares a common boundary with the subject property?	Yes: <input type="checkbox"/> Homeowner Occupant <input type="checkbox"/> Business <input type="checkbox"/> Residential Rental Property <input type="checkbox"/> Other (Please specify _____) No: <input type="checkbox"/>
Please identify the address and Block and Lot number of all property that you own in ROYAL OAK TOWNSHIP. Including property owned individually, jointly, or owned by any entity (LLC, corporation, partnership, etc.) in which you have an interest.	
How did you hear about ROYAL OAK TOWNSHIP?	<input type="checkbox"/> Internet <input type="checkbox"/> Social Media <input type="checkbox"/> Yard Sign <input type="checkbox"/> Word of Mouth <input type="checkbox"/> News <input type="checkbox"/> Other _____

SECTION 2: PROPERTY INFORMATION

Address	
Block and Lot # (Parcel ID)	
Condition	<input type="checkbox"/> Vacant Lot <input type="checkbox"/> Vacant Structure
Approximate Size (in square feet)	

Assessed Value	\$
Has the property been tax delinquent for at least 3 years?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown
Are you related to the record owner of the property?	<input type="checkbox"/> Yes (Please specify _____) <input type="checkbox"/> No
Have you engaged in sales negotiations with the record owner in the last 12 months?	<input type="checkbox"/> Yes (Please specify _____) <input type="checkbox"/> No

SECTION 3: REDEVELOPMENT PLAN

Type of Application	<input type="checkbox"/> Side Lot Development <input type="checkbox"/> Small-Scale Development (3 lots or less) <input type="checkbox"/> Large-Scale Development (4 lots or more) <input type="checkbox"/> Other _____
Please describe the current condition of the property/lot.	
How will you use the property (ex. side yard, residential rental property, etc.)? Please be specific. ^{1, 3}	
If you own abutting property, how does your proposed re-use relate to that property? ³	
Describe the changes or improvements you will make to the condition of the property. Please be specific. ^{1, 3}	
What are the estimated costs of these improvements? ^{2, 3}	\$

¹ Applicants are responsible for ensuring that their plan adheres to all local zoning, property maintenance, and building code requirements, and should contact the municipality in advance to determine the applicable requirements. Applicants may be required to provide information about these requirements as part of the application process.

² Depending upon the applicant's proposed plan, applicants may be required to submit supplemental information, such as bids or quotes, schematic plans, and information about relevant experience.

³ Attach additional pages, if necessary.

SECTION 4: ESTIMATED PURCHASE PRICE

Application Fee \$30.00 per applicant	\$
Good Faith Deposit \$181.75 or 10 percent of the estimated appraised value of the property for properties valued over \$2,000.00	\$
Parcel Fee \$8,000.00 per individual parcel (typ: 1/10ac platted lot)	\$ 8,000.00
Closing Costs Average \$500.00	\$ 500.00
Estimated Total Purchase Price¹	\$

¹ Applicants may elect to purchase title insurance at an additional cost.

SECTION 5: FINANCING

<p>How will you fund the purchase of the property <u>and</u> implementation of your reuse plan (e.g. personal funds, line of credit, loan, etc.)?</p> <p>Please attach documentation of sufficient funds, such as a bank statement, letter of credit, loan pre-qualification letter, W2s, four weeks of paystubs, most recent tax returns, or other documentation.</p>	
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I hereby attest that the above written information is true and correct to the best of my knowledge. I have received, reviewed, and understand the ROYAL OAK TOWNSHIP Vacant Property Redevelopment Program’s “Application Instruction,” “Applicant Eligibility Requirements,” “Property Eligibility Requirements,” “Products and Pricing Structure,” and “Timeline for Payment and Acquisition,” and agree to abide by these policies. I understand that failure to submit all required information may result in the termination of my application. I understand that ROYAL OAK TOWNSHIP may share my application materials and information pertaining to my application to relevant parties as part of the application review and approval process.

I understand that my application will be considered for participation in the ROYAL OAK TOWNSHIP Vacant Property Redevelopment Program, but there is no guarantee of acceptance into the Program. The approval of an application and the acquisition and transfer of a property is, at all times, at the sole discretion of ROYAL OAK TOWNSHIP. ROYAL OAK TOWNSHIP does not guarantee the acquisition and/or transfer of any property.

By Signing below, I acknowledge that at no point until the closing does ROYAL OAK TOWNSHIP guarantee the ability for the applicant to acquire the Property.

_____ Date

_____ Signature

_____ Print Name

_____ Date

_____ Signature

_____ Print Name

