



MEMORANDUM TO: THE EXECUTIVE COMMITTEE

FROM: JON POSTON

RE: REVOLVING FUND ACQUISITION

DATE: 11 NOVEMBER 1992

We have been approached a number of times over the years by people in the Harleston village area, and now by the realtors themselves, concerning the endangered historic house at 54 Montagu. This extremely valuable house built by Dr. Edward Washington North in 1816, with original Adamesque woodwork, remains endangered by demolition by neglect and by an approved subdivision of its lot granted years ago, which if carried out, would cut most of the land away from the building and make the main house undesirable. A few months ago, a local individual had an option on the property and intended to subdivide and take most of the land, only restoring the carriage house and jettisoning the main house.


With the approval of Dr. Palmer, Mr. Walker and Mr. Maybank, I have been pursuing a possible approach to Foundation involvement on this site through the endangered landmarks component of the renewed HCF Revolving Fund. Olin Chamberlain has met with Charles Atkins, who is definitely interested in acquiring the carriage house and the rear portion of the property to add to his adjacent property at 62 Montagu. This would circumvent the subdivision of the rest of the land and allow the house to retain 10,000 square feet surrounding it. I would like permission to pursue the possibilities of a plan along the following lines:

1. Negotiate with current owner Frank McCann, a bargain sale/purchase of 54 Montagu in the \$260-280,000 range (he is apparently amenable to a bargain sale approach but the amount is not settled).
2. Contract to sell the rear portion of the lot and carriage house with covenants to the Atkins.
3. Resell the front house and the remaining lot, with covenants, either as is, or after exterior stabilization (piazzas rebuilding, wood repair, reroofing, repainting; I have estimates of this work from M.E. totalling at least \$95,000 but we might use craft training programs on this). Olin Chamberlain feels this approach would make the property saleable.

We may be able to fundraise for this project (and the fund) from several interested individuals in the neighborhood and it will give us a current project for use in the Heritage Campaign.



M E M O R A N D U M

TO: Thomas A. Palmer and Lawrence A. Walker
FROM: Jonathan H. Poston 
RE: 54 Montagu Street
DATE: December 21, 1992

As I reported to Lawrence last week, I was informed by Chuck Sullivan at Disher, Hamrick & Myers that the contract on 54 Montagu Street collapsed due to financing problems, and the property is back on the market. The sales price has been reduced from \$389,000 to \$349,000. Of course we hoped to buy, pursuant to a bargain sale, at something less than that. I have talked to Olin Chamberlain who is checking with Charlie Atkins to see if he is still interested in the back portion of the property. Also, I have talked to Frank McCann on another matter, and Frank is interested in a bargain sale. I think that this would still require some negotiation. I still believe we need to consider the fate of 54 Montagu as something in which the Foundation could make a difference. Perhaps if fundraising commitments go well in the next month or so, we can give it serious consideration. Perhaps an approach to some of the Harleston Village neighbors for some up-front seed money is the best approach, i.e., the Bennetts, Palmer Gaillard, etc., as well as Charlie Atkins, is a good course.

JHP:rgb

cc: Mr. David Maybank, Jr.



28 March 1993

MEMORANDUM TO: LAWRENCE A. WALKER, EXECUTIVE DIRECTOR; THOMAS A. PALMER, PRESIDENT

FROM: JONATHAN H. POSTON, DIRECTOR OF PRESERVATION PROGRAMS

RE: 54 MONTAGU STREET AND ENSTON HOMES

I am being pressed from several quarters for our decision regarding the above. Basically, we now have a firm "counter-offer" from Francis X. McCann for \$267,000 plus commission for purchase of this property. It would be up to him to have an appraiser value his "bargain sale" on this property, which has most recently been listed at \$302,000 and which he paid \$287,000 in 1987. The scenario of course, would be that we would sell the rear half of the property with covenants to Charles Atkins for \$125,000 - 130,000 plus commission and the remainder to another buyer willing to restore the main house and willing to accept covenants. We would need for an appraiser to show the reduction in value resulting from putting our covenants on the property. Charles Atkins has already been approached but Olin Chamberlain was to speak to him in a more serious way today. We had hoped to sell the front house to Edward Pritchard (who had approached us), but with rehab costs of more than \$300,000, he now fears it is out of his reach. Chamberlain feels he has another buyer for the front and agrees with me that we almost can't lose in this transaction. Elliot Hutson, according to Olin, is also confident of this concept. I do think that we cannot keep Frank McCann up in the air and the neighborhood is already talking (Karen Del Porto came to me about it today but I revealed nothing). Could we please take this to the Board on Tuesday? Ideally they could authorize the Executive Committee and possibly the Area Projects Committee to go forward and negotiate the transaction. This is so important to our Revolving Fund. We can get a tabulation of the raised funds to use towards the deal. This could be augmented by a decision by the board to allocate the unpledge funds toward the three areas. Could we ask the Board for a token donation toward the \$50,000 appropriation for our HABS recordation of the Enston Homes. I think \$3,000 would be a proper figure to add so that the historical research can be done at the same time and the project can be funded.

I also would like HCF to consider a gift from our Community Projects fund of \$1,500 to \$2,000 to St. Michael's and St. Philips

Memo

28 March 1993

Page 2

toward bringing in a historic lighting consultant. We have been attempting in vain to prevent St. Philips from desecrating the original ceiling by the addition of cheap modern, can lights and trying to convince St. Michael's of the utility of removing those that were insensitively installed some years ago. In the restoration of great Georgian churches in England, they are avoiding this necessity by the hidden lighting systems.

AGREEMENT TO BUY AND SELL (GENERAL)



1. **PARTIES.** This legally binding contract, entered into on this 2nd day of April, 1993, between,
 Seller: Francis X. McCann Tax Payer ID#/SS# _____, and
 Buyer: Historic Charleston Foundation
2. **PROPERTY TO BE SOLD.** Subject to terms and conditions herein, Seller agrees to sell the following:
 - (a) **REAL PROPERTY**, described as follows:
 All that certain piece, parcel or tract of land together with building and improvements thereon, situate, lying and being in the City and County of Charleston, State of South Carolina, more particularly identified as Parcels 62 and 156 on Charleston County Tax Map No. 457-03-01, and known as 54 Montagu Street.
 - (b) **TAX MAP NUMBER** 457-03-01-062 and 457-03-01-156
3. **PURCHASE PRICE** shall be Two Hundred Sixty Seven Thousand and no/100- Dollars, (\$ 267,000.00)
4. **METHOD OF PAYMENT.** Purchase price shall be paid as follows:
 - (a) Down Payment. Buyer shall pay on or before closing by cash, certified or cashier's check \$ 267,000.00

CASH
5. **CLOSING COSTS**, including the costs of obtaining any financing, shall be paid as follows:
 - (a) Seller shall provide or pay for preparation of deed, cost of deed stamps, and any cost necessary to provide a marketable title, including recording of any satisfactions, property taxes to the day of closing and any other cost agreed to herein.
 - (b) Unless otherwise agreed herein, Buyer shall pay the costs of the title examination, recording fees, and, if applicable, any loan costs, the cost of any appraisal, survey and the preparation of other closing documents.
 - (c) Notwithstanding (a) and (b) above, the Buyer's total costs shall not exceed \$ normal share PLUS the costs of any escrow deposits or prepaid items. In such case, Seller shall pay all costs in excess of that amount.
6. **CLOSING DATE**, shall be on or before April 30, 1993 at the office of closing attorney or closing agent. Closing attorney or agent shall be Buyer's choice
7. **POSSESSION.** Seller shall give possession to the Buyer, subject to any tenant's rights, on or before closing, provided title has passed. Possession by Buyer before closing or by Seller after closing shall be subject to the terms and conditions of a rental agreement to be executed prior to closing or occupancy, whichever is applicable. Rental fee shall be \$ N/A per day.
8. **SPECIAL STIPULATIONS:** The following stipulations shall, if conflicting with printed matter, control:
 - a. It is agreed and understood that the above described property is being sold by Seller to Historic Charleston Foundation at a value below fair market value, such fair market value to be supported by an acceptable appraisal.
 - b. It is understood that the above property is sold in "as is" condition with no warranty either expressed or implied as to its condition of fitness for Buyer's intended use.
 - c. All fixtures and architectural elements convey with property.
9. **RECEIPT OF EARNEST MONEY.** Listing Broker acknowledges receipt of \$ 5,000.00 from Buyer as earnest money. Buyer and Seller authorize the Listing Broker, as Escrow Agent, to hold earnest money in trust and to disburse same in accordance with the terms of a contract between Buyer and Seller and hereby release Escrow Agent from all liability for such action. Earnest money paid by: Cash _____ Check XX Other _____ Listing Broker's initials _____ Date Funds Received _____
 Broker does not guarantee payment of check or checks accepted as earnest money. If any contingency of this contract cannot be satisfied by no fault of purchaser, the earnest money will be refunded. Earnest money is to be deposited in DHM Residential Inc escrow account. All cash monies or certified funds shall be deposited on or before the next banking day. ~~All other money shall be deposited within 72 hours and receipt by the broker.~~
10. **BROKER'S FEE.** Seller agrees to pay a commission as stipulated in the listing agreement or any modification thereof to Disher, Hamrick & Myers Residential Inc. (Listing Firm) at the consummation of this sale or default by Seller. At the consummation of this sale, the Listing Firm shall compensate Disher, Hamrick & Myers Residential Inc. (Cooperating Firm) as per the offer of subagency or as otherwise agreed in writing.
 Listing Broker's Signature _____
11. **ENTIRE AGREEMENT.** This written instrument, including the additional terms and conditions set forth on the reverse, expresses the entire agreement, and all promises, covenants, and warranties between the Buyer and Seller. It can only be changed by a subsequent written instrument (Addendum) signed by both parties. Both Buyer and Seller hereby acknowledge that they have not received or relied upon any statements or representations by either Broker or their agents which are not expressly stipulated herein.

This is a legally binding contract. Buyer should seek further assistance if the contents are not understood.
 BOTH BUYER AND SELLER ACKNOWLEDGE THE RECEIPT OF A COPY OF THIS AGREEMENT.

Both Buyer and Seller acknowledge that they have read items 12-22 on the back of this contract.

IN WITNESS WHEREOF, this agreement has been duly executed by the parties.

Witness: <u>Lynn S. Hanlin</u>	Date: <u>4/2/93</u>	Buyer: <u>HISTORIC CHARLESTON FOUNDATION</u>
Witness: <u>Francis X. McCann</u>	Date: <u>4/2/93</u>	Buyer: <u>Francis X. McCann</u>
Witness: <u>John W. O'Brien</u>	Date: <u>4/2/93</u>	Seller: <u>John W. O'Brien</u>
Witness: <u>Lynn S. Hanlin</u>	Date: <u>4/2/93</u>	Seller: <u>Francis X. McCann</u>

Please read items 12-22 on the back.

ORIGINAL