

PURCHASE AGREEMENT

This Purchase and Sales Agreement (“**Agreement**”) is made on November 29, 2023, by and between the CITY OF MARQUETTE, a Michigan municipal corporation (the “**City**”), and Marquette County Habitat for Humanity, Inc., a Michigan non-profit corporation of 2354 US 41 South, Marquette, Michigan 49855 (the “**Purchaser**”), collectively referred to as the “**Parties**.”

A. WHEREAS, the Purchaser desires to purchase land in the City of Marquette, County of Marquette and State of Michigan, to wit:

Part of Lot Two (2) of Harlow’s Addition No. 5, (within Section Twenty-Three (23), Township Forty-Eight North, Range Twenty-Five West (T48N-R25W)), City of Marquette, Marquette County, Michigan, being more particularly described as: commencing at the quarter corner common to said Section Twenty-Three (23) and Section Twenty-Two (22); thence N00°52’22"E along the section line common to said sections 526.51 feet to the northerly Right of Way (ROW) of Spring Street, a 66 foot wide public ROW; thence S77°32’10"E along said northerly ROW a distance of 161.50 feet to the point of beginning; thence continuing S77°32’10"E along said northerly ROW a distance of 270.00 feet to the westerly ROW of Seventh Street, a variable width public ROW; thence N12°12’17"E along said westerly ROW a distance of 135.00 feet; thence N77°32’10"W parallel with said northerly ROW a distance of 270.00 feet; thence S12°12’17"W parallel with said westerly ROW a distance of 135.00 feet to the point of beginning. (the “**Land**”)

The above-described parcel contains 0.84 acre, more or less, and is subject to all mineral rights, mineral reservations, mineral exceptions, easements and building and use restrictions of record, and all other conditions, reservations, exceptions and restrictions as may be contained in any conveyance constituting the recorded chain of title to said premises, and further subject to all applicable zoning laws, ordinances and visible easements, if any.

B. WHEREAS, the City desires to sell the Land to Purchaser; and

C. WHEREAS, the City and the Purchaser wish to establish the terms and conditions under which Purchaser will purchase the Land.

THEREFORE, Purchaser agrees to purchase the Land and the City agrees to sell the Land to the Purchaser on the following terms and conditions:

1. **Description of Property.** The Land is described in paragraph A. above.
2. **Closing Date.** Closing shall take place within one hundred twenty (120) days after the date of this Agreement.
3. **Purchase Price.** The purchase price (“Purchase Price”) for the Land is ONE HUNDRED TWENTY THREE THOUSAND TWO HUNDRED AND 00/100 DOLLARS (\$123,200.00).

4. **Earnest Money Deposit.** No later than the Effective Date, Purchaser shall deliver to the City a certified check in the amount of FIVE HUNDRED AND 00/100 DOLLARS (\$500.00) as an earnest money deposit (“**Deposit**”). The Deposit shall be applied to the Purchase Price at Closing, with the remainder of the Purchase Price paid by Purchaser to Seller in certified funds at Closing.

5. **Conveyance.** At Closing, the City shall execute a Warranty Deed, conveying title to the Land to Purchaser (the “**Deed**”).

6. **Title Insurance Commitment and Policy.** Seller shall provide Purchaser with an owner’s policy of title insurance regarding the Land from the title company of Seller’s choosing no later than 10 days prior to closing. Any existing mortgages or security interests upon the Land shall be paid and discharged by the City prior to or at Closing.

7. **Survey.** Purchaser may, at its sole discretion and expense, obtain a Survey of the Land (the “**Survey**”). The Survey will be certified to Purchaser, the title company (if any), Purchaser’s lender (if any), and the City.

8. **Environmental Assessment.** Purchaser may, at its expense, obtain a Phase I Environmental Assessment on the Property. If the Phase I Environmental Assessment reveals that the Land is a “facility”, Purchaser shall have the right to prepare and file a Baseline Environmental Assessment with the State of Michigan. In the event Purchaser finds the environmental condition of the Property unsatisfactory, in its sole discretion Purchaser shall have the right to terminate this Agreement by a written notice delivered to the Seller prior to Sale Closing, in which event, this Agreement shall be terminated, the Earnest Money shall be refunded to Purchaser within seven (7) business days, and the parties shall have no further obligations under this Agreement. Purchaser acknowledges that City, as of the date of this Agreement, has no legal obligation to conduct environmental activities related to monitoring, clean up or mitigation on the Land. Purchaser further agrees that if Purchaser proceeds with the Closing, City shall have no legal or financial obligation to conduct any environmental activities related to monitoring, clean up or mitigation on the Land caused by or related to, directly or indirectly, Purchaser’s purchase and construction activities on the Land. In the event the City is required to conduct any environmental activities on the Land as a result of Purchaser’s purchase or construction activities on the Land, Purchaser shall indemnify City for all expenses related to such activities.

9. **As Is.** Purchaser acknowledges that it is purchasing the Land “as is,” and that it has had the opportunity to investigate all aspects of the Land prior to purchasing the Land. Furthermore, Purchaser specifically waives any claims under any statutory or common law theory it may have against the City for any environmental contamination or environmental violations that may be located at, on, or under the Land.

10. **Maintenance of the Property and Possession.** Until Closing, the City shall not take any actions or fail to take any actions which would have a material adverse effect upon the Land.

11. **Divisions pursuant to the Land Division Act.** The City does not convey any divisions pursuant to the Land Division Act to Purchaser, and Purchaser shall have no right to divide the land following Closing.

12. **Representations and Warranties.** As of the date of the execution of this Agreement, the City represents and warrants to Purchaser to the best of the City's knowledge:

12.1 The City has full power and authority to execute this Agreement and perform its obligations under this Agreement;

12.2 The City is the owner of marketable record title in and to the Land, subject to those matters permitted by this Agreement;

12.3 The Land is not subject to any unrecorded encumbrances, easements, boundary disputes, agreements, or other matters not of record, or not disclosed in the Survey (if any) or not disclosed in any exhibit to this Agreement;

12.4 The Land is not subject to any claim of lien or special assessments, and no improvements have been made to the Land within one hundred twenty (120) days prior to the date of this Agreement;

12.5 There are no taxes or assessments which are past due or which have become a lien upon the Land; and

12.6 The City has received no notices of violation of any law, regulation, or ordinance related to the Land.

If prior to Closing, Purchaser shall discover that any of the City's representations and warranties are incorrect, Purchaser, at its option, shall have the right to terminate this Agreement and the Deposit shall be immediately refunded to Purchaser, and the parties shall have no further obligation to each other.

As of the date of the execution of this Agreement, Purchaser represents and warrants to the City to the best of Purchaser's knowledge:

12.7 Purchaser has full power and authority to execute this Agreement, and perform its obligations under this Agreement, and has been authorized to enter into this Agreement;

12.8 Purchaser has no notice of any litigation or administrative action which would affect Purchaser's ability to perform its obligations under this Agreement; and

12.9 Purchaser is financially capable of undertaking and successfully fulfilling Purchaser's obligations with respect to Closing.

If prior to Closing, the City shall discover that any of the Purchaser's representations and warranties are incorrect, City, at its option, shall have the right to terminate this Agreement and the Deposit shall be retained by the City, and the parties shall have no further obligation to each other.

13. **Conditions Precedent.** Unless the following condition is satisfied or waived by

Purchaser on or before the Closing Date, Buyer Purchaser may elect to terminate this agreement, with a refund of the earnest money deposit:

13.1 Purchaser, through Purchaser's sole efforts and expense, shall have obtained all land use and zoning approvals which will permit the Land to be developed per Purchaser's concept plan.

14. **Notice of Violation.** All notices of violation of any law, statute, ordinance, rule, or regulation of any governmental agency having jurisdiction issued to either party prior to the Closing against or affecting the Land shall be sent to the other party and shall be satisfied or complied with by the offending Party prior to Closing.

15. **Closing Documents.** At the time and place of Closing, the parties shall deliver the following documents:

15.1 The fully-executed Deed conveying the Land to Purchaser;

15.2 Affidavits or other documents as required for the owner's title policy;

15.3 The purchase price in certified funds to City; and

15.4 Closing statements documenting the financial details of the transaction.

16. **Adjustments, Prorations and Fees.**

16.1 Because the City is exempt from paying real property taxes on the Land, there will be no proration of taxes.

16.2 All taxes and special assessments affecting the Land for improvements to the Land after the date of Closing shall be the responsibility of the Purchaser.

16.3 The City shall pay transfer taxes, unless exempt under state law. The City shall pay for the preparation of the Warranty Deed and its legal expenses.

16.4 Purchaser shall pay any recording fees and closing costs related to the Closing.

17. **The City's Default.** If the City violates any of the terms and conditions contained within this Agreement, Purchaser shall provide written notice to the City of such violation. If the City fails to cure such violation and close within forty-five (45) business days, it shall be in default of this Agreement ("Default"). In the event the City is in Default, the Purchaser shall be entitled to terminate this Agreement, receive a return of the Deposit, and any other remedy provided by law.

18. **Purchaser's Default.** If the Purchaser violates any of the terms and conditions contained within this Agreement, City shall provide written notice to the Purchaser of such violation. If the Purchaser fails to cure such violation and close within forty-five (45) business

days, it shall be in Default. In the event the Purchaser is in Default, the City shall be entitled to terminate this Agreement, retain the Deposit, and any other remedy provided by law.

19. **Real Estate Brokers.** The City and Purchaser represent to each other that there is no broker involved in this transaction.

20. **Condemnation.** If prior to Closing, any authority having the right of eminent domain shall commence legal actions for the temporary or permanent taking or acquiring of any part of the Land, the City shall immediately give written notice to Purchaser, and Purchaser, at its option, shall be entitled to either: (i) terminate this Agreement upon written notice to the City, in which case the Deposit shall be returned to Purchaser, the Agreement shall terminate, and the parties shall have no further obligations to each other; or (ii) proceed to close the transaction and take an assignment of all rights under the condemnation.

21. **Compliance with Laws.** Purchaser shall comply with all applicable laws, ordinances, and regulations of the City and any other governmental entity having jurisdiction over the Land.

22. **Miscellaneous.**

22.1 **Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any way, then all the remaining provisions of the Agreement shall remain in full force and effect to the extent permitted by law.

22.2 **Written Notice.** All requirements for notice contained in this Agreement shall be deemed to require notice in writing sent to the appropriate party and counsel for the parties at the following addresses by hand delivery or facsimile followed by mail, with service being effective upon delivery or sending.

To the City: Karen Kovacs, Marquette City Manager
300 W. Baraga Avenue
Marquette, MI 49855

With a copy to: Suzanne Larsen, City Attorney
300 W. Baraga Ave.
Marquette, MI 49855

To Purchaser: Marquette County Habitat for Humanity, Inc.
c/o Deanna Johnson, Registered Agent
2354 US 41 South
Marquette, MI 49855

22.3 **Binding Effect.** This Agreement shall be binding upon the heirs, legal representatives, successors and assigns of the parties.

22.4 **Construction.** This Agreement shall be construed in accordance with the laws of the State of Michigan.

22.5 Integration. This Agreement constitutes the entire agreement of the parties with respect to the transaction contemplated herein and supersedes all prior understandings or agreements between the parties. There are no promises, conditions, agreements, undertakings, warranties or representations, oral or written, express or implied, with respect to the Land other than as set forth in this Agreement. This Agreement may be modified only by a writing signed by all of the parties or their respective successors in interest.

22.6 Time is of the Essence. Time shall be of the essence in this Agreement.

22.7 Survival. The representations, warranties, covenants and agreements of the parties contained in this Agreement shall survive Closing.

22.8 Execution in Counterparts. This Agreement may be executed in counterparts and such counterparts taken together shall be construed as an original.

22.9 Day of Completion. If a day for the performance of an event under this Agreement occurs on a weekend or on a holiday on which normal business is not transacted, the day for performance shall be delayed until the next weekday which is not a weekend or a holiday.

22.10 Effective Date. The Effective Date is the date on which the last of the parties executes this Agreement.

22.11 Waiver of Violation. Failure by a party to object to a violation of the terms of this Agreement shall not be a waiver of any continuing or subsequent violation.

SELLER
CITY OF MARQUETTE

Date: _____

By: Sally Davis
Its: Mayor

Date: _____

By: Kyle Whitney
Its: Clerk

APPROVED AS TO CONTENT:


APPROVED AS TO FORM:

Karen M. Kovacs, City Manager


Suzanne C. Larsen, City Attorney

PURCHASER
MARQUETTE COUNTY HABITAT
FOR HUMANITY, INC.

Date: 11/29/23


By: Megan Hornbogen
Its: President

Date: 11/29/2023


By: Deana Johnson
Its: Executive Director