

PURCHASE AGREEMENT

This Purchase Agreement (this "Agreement") is entered into this _____ day of _____, 2020, by and between Ludington Area School District, a Michigan general powers school district organized and operating under provisions of the Revised School Code, MCL 380.1, *et seq.*, as amended, whose address is 809 E. Tinkham Avenue, Ludington, Michigan 49431 (the "Seller") and _____, a _____, whose address is _____ (the "Purchaser") (individually, a "Party" and collectively, the "Parties"), for the transfer by the Seller to the Purchaser of real property commonly known as: _____, located at _____ within the City of Ludington, Mason County, Michigan, and legally described in Exhibit "A", attached (the "Property").

I. Property Transferred. The Purchaser shall purchase and receive and the Seller shall sell the Property, all easements and all other interests and rights of the Seller which are appurtenant to the real estate, including, but not limited to, all right, title, and interest, if any, of the Seller in and to any land lying in street, road or avenue in front of, within or adjacent to, or adjoining such land.

II. Purchase Price. The Property shall be purchased for the sum of _____ and 00/100 Dollars (\$_____). As additional consideration, the Purchaser agrees to take the Property subject to the disclaimer of warranties and transfer of environmental liability provisions contained in Paragraphs VI and VII, below.

III. Deposit. The Seller and the Purchaser acknowledge and agree that a deposit of _____ and 00/100 Dollars (\$_____) (the "Deposit") has been provided by the Purchaser to the Seller. The Deposit shall be credited to the purchase price and closing costs at the closing described in Paragraph IV, below.

IV. Closing and Possession. The closing of the sale described herein shall take place at the office of the Seller's Superintendent of Schools, which closing shall occur on or before _____, 2020. The Purchaser shall be entitled to possession of the Property, at no cost at closing.

V. Property Taxes. The Seller shall pay all real property taxes, if any, on the Property prior to the date of closing. The Purchaser shall be responsible for all real property taxes on the Property which become due on or after the date of closing.

VI. Disclaimer of Warranties. AT CLOSING, THE PURCHASER SHALL CONFIRM IN WRITING IT HAS CONDUCTED ALL INSPECTIONS WHICH, IN ITS SOLE DISCRETION, IT HAS DETERMINED NECESSARY TO ESTABLISH THE CONDITION OF THE PROPERTY. THE PURCHASER WILL EXECUTE THE PURCHASER'S STATEMENT THAT IS ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT "B" (THE "PURCHASER'S STATEMENT"). THE PURCHASER'S STATEMENT CONFIRMS IN WRITING THAT THE PURCHASER HAS INSPECTED THE PROPERTY AND AGREES TO TAKE THE PROPERTY "AS IS" AND IN ITS PRESENT CONDITION

AND THAT THERE ARE NO OTHER OR ADDITIONAL WRITTEN OR ORAL UNDERSTANDINGS. THE PURCHASER'S STATEMENT ALSO PROVIDES THAT THE SELLER EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND WITH REGARD TO THE PROPERTY.

VII. Environmental Matters. It is the intention and agreement of the Seller and the Purchaser that following conveyance of the Property to the Purchaser, the Seller shall have no liability or exposure with respect to any environmental remediation required on the Property or with respect to claims of third parties arising out of or based upon exposure, subsequent to such conveyance, to hazardous substances or other conditions known or unknown which may be in or about the Property, and as stated above, the Purchaser is accepting the Property in its "as is" condition with full liability therefor. The Seller and the Purchaser agree, if a conveyance of the Property occurs:

(a) The Purchaser shall, at its sole expense, be responsible for and pay the cost of and indemnify the Seller from, including payment of the Seller's actual attorneys' fees, any and all environmental assessments and remedial actions, if any, required pursuant to the Comprehensive Environmental Response Compensation and Liability Act of 1980 (as amended), Act 451 of the Michigan Public Acts of 1994, as amended, or any and all other applicable federal, state or local statutes, laws, ordinances, codes, rules, regulations, and guidelines (including consent decrees and administrative orders) relating to public health and safety and the protection of the environment.

(b) The Purchaser shall, at its sole expense, be responsible for and pay the cost of investigation, repairs and modifications as are necessary to assure that the Property is safe and appropriate for its intended uses and that the Property complies with all applicable building codes or other applicable laws or regulations; and are not in violation of any federal, state or local laws, regulations or orders pertaining to the environment or use of the Property.

(c) The Purchaser further agrees that it shall, at its expense, defend against any claims asserted by third parties and indemnify the Seller, including payment of the Seller's actual attorneys' fees from any exposure in and about the Property after the date of closing to any hazardous waste as defined in Section 11103(3) of Act 1994 PA 451, as amended, or as defined in any other applicable federal or state law, regulation, ruling, order, or as a result of any other allegedly dangerous conditions known or unknown existing in and about the Property as of the date of conveyance to the Purchaser.

(d) The Purchaser shall not look to the Seller or its successors or assigns, for any reimbursement, apportionment, or contribution with respect to the liability assumed, and expenditures incurred by the Purchaser pursuant to subparagraphs (a), (b) and (c) above, by reason of the existence of any hazardous waste (as above defined) or which may be assessed as response costs or investigative costs by any governmental agency, whether such right be pursuant to common law or by statute.

(e) The provisions of this Paragraph VII shall, in the case any one or more of the same is deemed to be unenforceable, be severable, meaning that the unenforceability of any given provisions shall not affect the enforceability of the remaining provisions.

(f) This Paragraph VII shall inure to the benefit and be binding upon the Purchaser, its successors and assigns, including any party to whom any of the Property is conveyed or leased in whole or in part, by the Purchaser.

(g) The provisions of subparagraphs (a) through (f), above, shall survive closing. At the Seller's option, at the closing, the provisions of subparagraphs (a) through (f) shall be placed in recordable form, signed and acknowledged by the Purchaser and the Seller and then recorded by the Seller, at its expense, with the Mason County, Michigan, Register of Deeds. A copy of the Transfer of Liability and Indemnification Agreement is attached hereto and made a part hereof as Exhibit "C".

VIII. Attorney's Opinion. The Purchaser acknowledges that the Seller has recommended that the Purchaser retain an attorney to pass on the marketability of the title to the Property and to review the details of the sale before the closing.

IX. Special Assessments. Special Assessments which are or become a lien on the Property before the date of closing shall be paid by the Seller. Special assessments which become a lien on the Property on or after the closing date shall be paid by the Purchaser.

X. Warranty Deed and Land Divisions. At the closing the Seller shall deliver to the Purchaser a warranty deed, a copy of which warranty deed is attached hereto and made a part hereof as Exhibit "D". The Warranty Deed shall transfer all permitted land divisions under the Land Division Act, PA 288 of 1967, as amended.

XI. Evidence of Title. The Seller shall as soon as practical and in any event within fifteen (15) days from the effective date of this Agreement, obtain a commitment for an owner's policy of title insurance in the amount of the purchase price. The title company will be determined by the Seller (the "Title Company"). Within five (5) days of receipt of the commitment for title insurance, the Purchaser shall notify the Seller of any restrictions, reservations, limitations, easements, liens and other conditions of record (together hereinafter called "Title Defects"), disclosed in such commitment which would interfere with Purchaser's proposed use of the Property and are therefore objectionable to the Purchaser. Should the Purchaser notify the Seller of any such Title Defects, the Seller shall have until the closing date to cure or remove same. If such Title Defects are not cured by the closing date, the Purchaser may, at the Purchaser's option, terminate this Agreement, or alternatively set a date with the Seller to extend the closing date to a mutually agreed upon closing date so as to provide the Seller with an additional opportunity to cure said Title Defects. In the event such Title Defects are not cured by the closing date, or any extension thereof, and the Purchaser elects not to waive its title objections, the Agreement shall be terminated, the Deposit shall be returned to the Purchaser and, except for the obligations of the Purchases under Paragraph XIII below, neither Party shall have any further obligations with regards to this Agreement.

XII. Survey. During the Inspection Period, the Purchaser may obtain, at its expense, a survey of the Property (the "Survey"). The Survey, if obtained, shall be certified to the Seller, the Purchaser, and the Title Company. If the Purchaser objects in writing as to the condition of the Survey during the Inspection Period, the Seller shall have ten (10) days after receipt of notification of such objections, or such greater period of time as may be mutually agreed in writing between the Seller and the Purchaser (the "Cure Period") within which the Seller may (but shall not be required to) cure or remove each such objection or obtain title insurance against such objection in a manner acceptable to the Purchaser. If the Seller fails to either cure or remove an objection or obtain such title insurance with respect to the Property to the sole satisfaction of the Purchaser prior to the expiration of the Cure Period, the Purchaser may terminate this Agreement, the Deposit shall be returned to the Purchaser, and the parties shall have no further rights or obligations under this Agreement or waive such objection and accept the condition of such title to the Property as set forth in the Survey without any reduction in the purchase price. The failure of the Purchaser to send written notice of the exercise of the election available to the Purchaser to terminate this Agreement shall be deemed an election by the Purchaser to waive the Purchaser's objections with respect to the Survey of the Property.

XIII. Inspections; Tests and Zoning Approvals. The Purchaser or its agents, representatives and/or independent contractors, shall have the right and license to enter upon the Property upon reasonable advance notice to the Seller, for the purposes of making any and all surveys, appraisals, explorations, soil tests, inspections, environmental reports, wetlands and flood plain evaluations, water and perk tests, site plan and zoning approvals and the like, all of which inspections and approvals shall be completed within thirty (30) days from the effective date of this Agreement (the "Inspection Period"). The Purchaser shall then have five (5) days thereafter to determine whether it is satisfied with the condition of the Property and obtain all necessary zoning approvals. In the event that the Purchaser is not satisfied with the condition of the Property and has not obtained all necessary zoning approvals and so notifies the Seller as set forth herein, the Agreement shall terminate, the Deposit shall be returned to the Purchaser, and except as provided below, neither Party shall have any further liability or responsibility thereunder. At the request of the Purchaser, the Seller shall execute any documents necessary for the Purchaser to obtain site plan. The Purchaser shall use all reasonable efforts to minimize any damage to the Property and, in the event any portion of the Property is disturbed or altered by virtue of the Purchaser's investigations, the Purchaser shall promptly, at its sole expense, restore the Property to substantially the same condition that existed prior to such disturbance or alteration and shall indemnify and hold the Seller harmless from any loss, cost, or damage to the Property, including without limitation the Seller's actual attorneys' fees, caused by the Purchaser's investigations.

XIV. Time of Essence. Time is of the essence with respect to all dates and times set forth in this Agreement.

XV. Closing Costs. At closing, the Seller shall pay the costs of preparation of the warranty deed, transfer tax, if any, and any attorney' fees incurred by the Seller. At closing, the Purchaser shall pay the costs of recording the warranty deed, attorneys' fees incurred on behalf of the Purchaser, and any Phase I Environmental Audit and other inspection costs initiated by the

Purchaser. The Purchaser shall each pay for the title insurance and all other closing costs which are incurred by the Title Company to close this transaction.

XVI. Like Kind Exchange. The Seller shall cooperate with the Purchaser and execute such documents at closing as are reasonably requested by the Purchaser, which are necessary to consummate a like kind exchange under Section 1031 of the Internal Revenue Code of 1986, as amended, so long as the Seller does not suffer any expense or liability as a result thereof and as long as the Seller is not required to take title to any other land.

XVII. Default. In the event the Seller fails or refuses to comply with the terms of this Agreement, for any reason other than the Purchaser's default hereunder, the Purchaser may, in its sole discretion, elect to terminate this Agreement and receive an immediate refund of the Deposit and/or proceed with its legal and equitable remedies. In the event the Purchaser fails or refuses to comply with the terms of this Agreement for any reason other than the Seller's default hereunder, the parties hereto agree that the Seller may terminate this Agreement and retain the deposit and/or proceed with its legal or equitable remedies.

XVIII. Drafting. Each Party acknowledges that all Parties hereto participated equally in the drafting of this Agreement and that, accordingly, no court construing this Agreement shall construe it more stringently against one Party than the other.

XIX. Notices. All notices required or given under this Agreement shall be in writing and either delivered personally or mailed by regular mail addressed to the Parties at their addresses specified above. Mailed notices shall be effective upon mailing.

XX. Whole Agreement. This Agreement and its Attachments constitute the entire agreement between the Parties and shall be deemed to supersede and cancel any other agreement between the parties relating to the transactions herein contemplated. Each Party acknowledges that no representation, inducement or condition not set forth herein has been made or relied upon by either Party.

XXI. Amendments. This Agreement may be amended or modified only by a document in writing executed by the Parties.

XXII. Successors and Assigns. This Agreement shall bind and benefit the parties hereto and their respective successors and assigns.

XXIII. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan. The venue for any disputes related to this Agreement shall be the Mason County, Michigan Circuit Court.

XXIV. Effective Date. This Agreement shall become effective as of the date upon which the last of the parties listed below shall have signed this Agreement.

XXV. Counterpart Signatures. This Agreement may be executed in one or more counterparts, including facsimile copies, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.

WITNESSES:

WITNESSES:

SELLER:

**LUDINGTON AREA SCHOOL DISTRICT,
a Michigan general powers School district**

By: _____

Its: _____

Dated: _____, 2020

PURCHASER:

_____,

By: _____

Its: _____

Dated: _____, 2020

EXHIBIT "A"

Legal Description of Property

Real property commonly known as the “_____” located at _____ within the City of Ludington, Mason County, Michigan, and legally described as follows:

(Insert Legal Description)

Property Identification No. _____ (the “Property”)

EXHIBIT "B"

PURCHASER'S STATEMENT

_____, a _____, whose address is _____ (the "Purchaser") is purchasing from Ludington Area School District, a Michigan general powers school district organized and operating under provisions of the Revised School Code, MCL 380.1, *et seq.*, as amended, whose address is 809 E. Tinkham Avenue, Ludington, Michigan 49431 (the "Seller"), real property commonly known as the "_____", located at _____ within the City of Ludington, Mason County, Michigan, and legally described as follows:

(Insert Legal Description)

Property Identification No. _____ (the "Property")

The Purchaser confirms, acknowledges and agrees that:

(1) The Purchaser confirms that it has inspected the Property and agrees to take the Property "as is," with all personal property and debris and in its present condition.

(2) The Purchaser confirms there are no other or additional written or oral understandings and that the Seller disclaims any and all warranties of any kind with regards to the Property.

PURCHASER:

_____,
a _____

Dated: _____

By: (Exhibit – Not for Execution)

Its: _____

EXHIBIT "C"

TRANSFER OF LIABILITY AND INDEMNIFICATION AGREEMENT

This Transfer of Liability and Indemnification Agreement (this "Agreement") is entered into this ____ day of _____, 2020. It is the intention and agreement of Ludington Area School District, a Michigan general powers school district organized and operating under provisions of the Revised School Code, MCL 380.1, *et seq.*, as amended, whose address is 809 E. Tinkham Avenue, Ludington, Michigan 49431 (the "Seller") and _____, whose address is _____ (the "Purchaser"), that following conveyance of the property to the Purchaser, which legal description is attached hereto as Attachment "1" (the "Property"), the Seller shall have no liability or exposure with respect to any environmental remediation required on the Property or with respect to claims of third parties arising out of or based upon exposure, subsequent to such conveyance, to hazardous substances or other conditions known or unknown which may be in or about the Property, and as stated above, the Purchaser is accepting the Property in its "as is" condition with full liability therefor. The Seller and the Purchaser agree as follows:

(a) The Purchaser shall, at its sole expense, be responsible for and pay the cost of and indemnify the Seller from, including payment of the Seller's actual attorneys' fees, any and all environmental assessments and remedial actions, if any, required pursuant to the Comprehensive Environmental Response Compensation and Liability Act of 1980 (as amended), Act 451 of the Michigan Public Acts of 1994, as amended, or any and all other applicable federal, state or local statutes, laws, ordinances, codes, rules, regulations, and guidelines (including consent decrees and administrative orders) relating to public health and safety and the protection of the environment.

(b) The Purchaser shall, at its sole expense, be responsible for and pay the cost of investigation, repairs and modifications as are necessary to assure that the Property is safe and appropriate for its intended uses and that the Property complies with all applicable building codes or other applicable laws or regulations; and are not in violation of any federal, state or local laws, regulations or orders pertaining to the environment or use of the Property.

(c) The Purchaser further agrees that it shall, at its expense, defend against any claims asserted by third parties and indemnify the Seller, including payment of the Seller's actual attorneys' fees from any exposure in and about the Property after the date of closing to any hazardous waste as defined in Section 11103(3) of Act 1994 PA 451, as amended, or as defined in any other applicable federal or state law, regulation, ruling, order, or as a result of any other

allegedly dangerous conditions known or unknown existing in and about the Property as of the date of conveyance to the Purchaser.

(d) The Purchaser shall not look to the Seller or its successors or assigns, for any reimbursement, apportionment, or contribution with respect to the liability assumed, and expenditures incurred by Purchaser pursuant to Paragraphs (a), (b) and (c) above, by reason of the existence of any hazardous waste (as above defined) or which may be assessed as response costs or investigative costs by any governmental agency, whether such right be pursuant to common law or by statute.

(e) The provisions of this Agreement shall, in the case any one or more of the same is deemed to be unenforceable, be severable, meaning that the unenforceability of any given provisions shall not affect the enforceability of the remaining provisions.

(f) This Agreement shall inure to the benefit and be binding upon the Purchaser, its successors and assigns, including any party to whom any of the Property is conveyed or leased in whole or in part, by the Purchaser.

(g) The provisions of Paragraphs (a) through (f), above, shall survive closing.

SELLER:

**LUDINGTON AREA SCHOOL DISTRICT,
a Michigan general powers school district**

Dated: _____

By: (Exhibit – Not for Execution)

Its: _____

Acknowledged before me in _____ County, Michigan, this ____ day of _____, 2020, _____, _____, Ludington Area School District, a Michigan general powers school district.

(signature)

(printed)

Notary Public, _____ County, Michigan

My Commission Expires: _____

Acting in the County of _____

PURCHASER:

_____,
a _____

Dated: _____

By: (Exhibit – Not for Execution) _____

Its: _____

Acknowledged before me in _____ County, Michigan, this ____ day of _____,
2020, _____, _____, _____, a _____
_____.

Notary Public, _____ County, Michigan
My Commission Expires: _____
Acting in the County of _____

***PREPARED BY AND AFTER
RECORDING RETURN TO:***
Gordon W. VanWieren, Jr., Esq.
Thrun Law Firm, P.C.
P.O. Box 2575
East Lansing, Michigan 48826-2575

Attachment "1"

Legal Description of Property

Real property commonly known as the “_____,” located at _____ within the City of Ludington, Mason County, Michigan, and legally described as follows:

(Insert Legal Description)

Property Identification No. _____ (the “Property”)

EXHIBIT "D"

WARRANTY DEED

Ludington Area School District, a Michigan general powers school district organized and operating under provisions of the Revised School Code, MCL 380.1, *et seq.*, as amended, whose address is 809 E. Tinkham Avenue, Ludington, Michigan 49431 (the "Grantor") warrants to _____, a _____, whose address is _____ (the "Grantee"), for the transfer by the Grantor to the Grantee of real property commonly known as the "_____" located at _____ within the City of Ludington, Mason, County, Michigan, and legally described as follows:

Property Identification No. _____ (the "Property")

for the consideration of _____ and 00/100 Dollars (\$_____).

This conveyance is subject to:

- (a) building and zoning laws, ordinances and regulations;
- (b) recorded and existing building and use restrictions, or other restrictions relating to the use or improvement of the Property;
- (c) recorded and existing restrictions, if any;
- (d) recorded and existing utility or roadway easements and rights-of-way; and
- (e) all other rights, restrictions, reservations, easements and other matters of record disclosed in the Commitment for Title Insurance issued by _____, File No. _____, dated _____, 2020 at ___:___ a.m.

The Grantor grants to the Grantee the right to make all permitted divisions under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967.

The Property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act, MCL 286.471, *et seq.*, as amended.

This transaction is exempt from real estate transfer tax pursuant to MCL 207.505(h)(i) and MCL 207.526(h)(i).

GRANTOR:

**LUDINGTON AREA SCHOOL
DISTRICT, a Michigan general powers
school district**

Dated: _____

By: (Exhibit – Not for Execution)

Its: _____

Acknowledged by me in _____, County, Michigan, this ____ day of _____, 2020, by _____, _____, Ludington Area School District, a Michigan general powers school district.

(signature)
(printed)
Notary Public, _____ County, Michigan
My Commission Expires: _____
Acting in the County of _____

When Recorded Return To:	Send Subsequent Tax Bills To:	Prepared By (Without Opinion):
Grantee	Grantee	Gordon W. VanWieren, Jr., Esq. Thrun Law Firm, P.C. P.O. Box 2575 East Lansing, MI 48826-2575