

A G E N D A

GRAND TRAVERSE COUNTY LAND BANK AUTHORITY SPECIAL MEETING

Friday, May 19, 2023, Governmental Center, 400 Boardman Avenue
8:00 A.M.

1. Approval of the April 14, 2023, Special Meeting minutes 2
2. Review of Foreclosed Properties.....3
3. Habitat for Humanity Request for Reimbursement.....20
4. Village of Kingsley DDA Project:
 Final Approval, Execution and Next Steps.....27

PUBLIC COMMENT

Any person shall be permitted to address a meeting of the Land Bank Authority (LBA), which is required to be open to the public under the provisions of the Michigan Open Meetings Act, as amended. (MCLA 15.261, et. seq.) Public comment shall be carried out in accordance with the following County Board Rules and Procedures:

- A. Any person wishing to address the LBA shall state his or her name and address.
 - B. Persons may address the LBA on matters, which are relevant to county government issues.
 - C. No person shall be allowed to speak more than once on the same matter, excluding time needed to answer Board questions. The Chairperson shall control the amount of time each person shall be allowed to speak, which shall not exceed three (3) minutes; except as follows:
 1. Chairperson may, at his or her discretion, extend the amount of time any person is allowed to speak.
 2. Whenever a group wishes to address the Authority, the Chairperson may require that the group designate a spokesperson; the Chairperson shall control the amount of time the spokesperson shall be allowed to speak, which shall not exceed fifteen (15) minutes.
5. Other Business
6. Adjournment

GRAND TRAVERSE COUNTY LAND BANK AUTHORITY

Minutes of Special Meeting

Friday, April 19, 2023

Chair Scheppe called the meeting to order at 9:00 a.m. in Great Lakes Conference Room, 3rd Floor Governmental Center.

Members Present: James Baker, Dean Bott, Gary Howe, Scott Sieffert and Heidi Scheppe, Chair
Additional Attendees: Max Anderson with Kingsley DDA Staff Present: Chris Forsyth, Ross Hammersley counsel.

MINUTES

MOVED by Bott, seconded by Sieffert to approve the minutes of February 24, 2023 regular meeting.
MOTION CARRIED

TRIAL BALANCE – LAND BANK & HOUSING TRUST FUND

Chair Scheppe reviewed the Trial Balance for Land Bank & Housing Trust fund and property inventory

VILLAGE OF KINGSLEY DDA PROJECT: REVIEW AND APPROVAL OF AGREEMENTS

Forsyth reviewed the documents and proposed motion.

MOVED by Bott, seconded by Howe to Resolved that Grand Traverse County Land Bank Authority approves the proposed purchase agreement for the purpose of purchasing certain parcels of real property owned by John & Melinda Sedlacek located in downtown Kingsley as further described in the proposed purchase agreement, and authorizes the Land Bank Authority Chairperson to execute the purchase agreement on behalf of the Land Bank Authority; and

Further resolved that the Grand Traverse County Land Bank Authority approves the proposed development and reimbursement agreement with the Village of Kingsley Downton Development Authority for the purpose of setting forth the conditions for the potential redevelopment or disposal of the parcels being purchased and owned by John and Melinda Sedlacek, located in downtown Kingsley as further described in the proposed purchase agreement, as well as the development and reimbursement agreement, and authorizes the Land Bank Authority Chairperson to execute the development and reimbursement agreement on behalf of the Land Bank Authority; and

Finally resolved that the Chairperson, wit the assistance of the Deputy County Administrator and Counsel, is authorized to take any other action necessary to implement the action of the Land Bank Authority.

ROLL CALL VOTE: Bott-yes, Baker-yes, Howe-yes, Scheppe-yes, Sieffert-abstain

MOTION CARRIED

UPDATE ON STRATEGIC PLANNING

Land Bank members discussed updating the Strategic Planning process. Agreed to cancel the May 26, 2023 meeting, and Forsyth will bring plans for review to the June 23, 2023 meeting.

PUBLIC COMMENT:

None

OTHER BUSINESS:

None

ADJOURNMENT:

Meeting adjourned at 9:31 a.m.

Approved Date

Heidi Scheppe, Chair

LAND BANK AGENDA ITEM

SUBJECT: 2023 Foreclosed parcels

FROM: Heidi Scheppe, Treasurer



FOR MEETING DATE: May 19, 2023

SUMMARY OF ITEM TO BE PRESENTED:

Please find attached a list of parcels that the Treasurer foreclosed on in 2023 for 2020 delinquent property taxes. There is a small parcel of land that may benefit from the side lot program.

We have received multiple requests from taxpayers to help get property back. If the Land Bank were to exercise first right of refusal to work with the taxpayer, we should consider any liens extinguished when deeding back to prior owner. I spoke to the deeds office they suggested an Affidavit be filed with the deed stating that all liens that had been extinguished with the foreclosure are reinstated. Land Bank purchase price, the 2023 taxes and any water bills that have been put in GT County name would be required to be paid before a deed would transfer ownership back. The standard Land Bank fee for this service has been \$500 in the past. Notes are included on the following summary and written requests by taxpayers are included after the summary.

RECOMMENDATION:

Motion to exercise first right of refusal for parcels_____, to purchase the property for minimum bid if Claim is not filed by July 1, 2023 or Fair Market Value if Claim is filed. Deny first right of refusal for any parcels not specifically identified so they go to public auction.

FORECLOSURE LIST FOR GRAND TRAVERSE COUNTY
For 2023 Foreclosures of 2020 and prior taxes
All Records
Interest Computed As Of Foreclosure Date

PARCEL	TAX DUE	INTEREST/FEES DUE	TOTAL DUE	CURRENT SEV	CURRENT TAXABLE	TAX YEARS DELINQUENT
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01-015-005-08	11,743.19	3,268.43	15,011.62	101,500	84,739	2022 2021 2020
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Property Address: 7053 E M 72 WILLIAMSBURG MI
Owner: SILVER GATE INVESTMENTS LLC
2022 Forfeiture RECORDED Liber: Page: Document: 2022R-05884 Date: 4/8/2022

01-532-015-00	2,487.89	950.47	3,438.36	25,000	25,000	2022 2021 2020
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Property Address: TURNBERRY CIR WILLIAMSBURG MI
Owner: BENSON MARC
2022 Forfeiture RECORDED Liber: Page: Document: 2022R-05890 Date: 4/8/2022

02-165-009-00	571.88	696.31	1,268.19	11,000	4,136	2022 2021 2020
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Property Address: BLAIR VALLEY RD TRAVERSE CITY MI
Owner: BLAIR VALLEY ESTATES LLC
2022 Forfeiture RECORDED Liber: Page: Document: 2022R-05925 Date: 4/8/2022

02-165-018-00	571.88	696.31	1,268.19	11,000	4,136	2022 2021 2020
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Property Address: FIELDCREST LN TRAVERSE CITY MI
Owner: BLAIR VALLEY ESTATES LLC
2022 Forfeiture RECORDED Liber: Page: Document: 2022R-05926 Date: 4/8/2022

02-310-059-00	4,866.56	1,633.35	6,499.91	16,300	12,486	2022 2021 2020
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Property Address: 5333 W MOBILE TRL TRAVERSE CITY MI
Owner: PEREZ JOSE
2022 Forfeiture RECORDED Liber: Page: Document: 2022R-05935 Date: 4/8/2022

02-335-006-00	2,361.82	1,107.33	3,469.15	20,000	17,077	2022 2021 2020
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Property Address: PERRYS LOOP TRAVERSE CITY MI
Owner: HAINES ROBERT
2022 Forfeiture RECORDED Liber: Page: Document: 2022R-05937 Date: 4/8/2022

02-370-007-00	1,244.87	850.12	2,094.99	25,900	15,082	2022 2021 2020
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Property Address: 2020 CONETREE RD TRAVERSE CITY MI
Owner: LAWRENCE WILLIAM H
2022 Forfeiture RECORDED Liber: Page: Document: 2022R-05941 Date: 4/8/2022

04-012-009-01	736.85	690.42	1,427.27	7,500	7,223	2022 2021 2020
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Property Address: BOYD ST FIFE LAKE MI
Owner: SAUNDERS K STEPHEN & BONNIE D
2022 Forfeiture RECORDED Liber: Page: Document: 2022R-05984 Date: 4/8/2022

FORECLOSURE LIST FOR GRAND TRAVERSE COUNTY
 For 2023 Foreclosures of 2020 and prior taxes
 All Records
 Interest Computed As Of Foreclosure Date

BY: HSCHEPPE

PARCEL	TAX DUE	INTEREST/FEES DUE	TOTAL DUE	CURRENT SEV	CURRENT TAXABLE	TAX YEARS DELINQUENT
07-560-096-00	587.40	702.16	1,289.56	4,300	4,028	2022 2021 2020

Property Address: WHITE BIRCH DR GRAWN MI

Owner: HAINES ROBERT

2022 Forfeiture RECORDED Liber: Page: Document: 2022R-06050 Date: 4/8/2022

10-140-040-00	12.43	570.40	582.83	100	100	2022 2021 2020
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Property Address: FOREST ST KINGSLEY MI

Owner: WIDRIG LINDA L

2022 Forfeiture RECORDED Liber: Page: Document: 2022R-06101 Date: 4/8/2022

42-035-040-00	1,221.89	831.81	2,053.70	12,500	8,538	2022 2021 2020
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Property Address: PLEASANT VALLEY KINGSLEY MI

Owner: STEINBAUER DEAN P & NIKKI J

2022 Forfeiture RECORDED Liber: Page: Document: 2022R-06133 Date: 4/8/2022

PARCEL COUNT: 11	26,406.66	11,997.11	38,403.77	235,100	182,545	
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01-015-005-08

PARCEL 2: PART OF SW 1/4 SEC 32 T28N R9W COM AT SW CNR SEC 32 TH N 00D EG 55'01" W 583.51' TH N 89 DEG 10'55" E 375.22' TO POB TH N 89 DEG 10'55" E 193.60' TH S 00 DEG 49'05" E 516.07' TH S 89 DEG 41'17" W 245.98' TH N 00 DEG 54'58" W 406.55' TH N 60 DEG 43'48" E 60.53' TH N 00 DEG 49'05" W 78.60' TO POB SPLIT/COMBINED ON 08/13/2014 FROM 01-015-005-04

Address: 7053 E M-72, Williamsburg, MI 49690

2022 Taxable Value: 84,739

Delinquent Taxes: 15,011.62

2022 SEV: 101,500



This property was sold 3/7/19 for 1.1 million, it is located next to the Turtle Creek Casino. No payments toward taxes had been made since 2/16/21 to pay off the 2019 taxes. Prior owner has contacted us asking to work with them to sell the property back to them. Will want to work with counsel to prepare appropriate affidavit regarding liens if we do work with them. See request included in packet. Min bid \$15,011.62

01-532-015-00

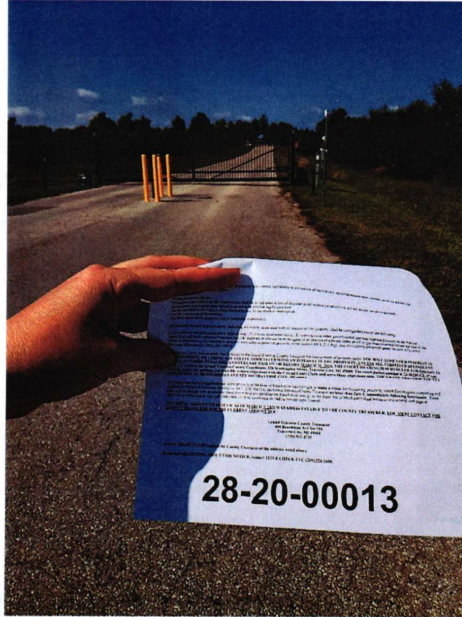
UNIT 15 LOCHENHEATH SITE CONDOMINIUM SEC 26 T28N R10W SPLIT ON
12/20/1999 FROM 01-226-005-00

Address: Turnberry Circle, Williamsburg, MI 49690

Delinquent Taxes: 3,438.36

2022 Taxable Value: 25,000

2022 SEV: 25,000



This property was purchased 11/17/2020 for \$50,000, No payments were paid for property taxes since purchase. There was a lien put on the property by the Lochenheath Condo Association that could be a potential claim. Due to Association liability & future costs recommend sending to auction. Min bid \$3,438.36

02-165-009-00 & 02-165-018-00

BLAIR VALLEY ESTATES UNIT 9 & UNIT 18 SEC 4 T26N R11W PARENT #004-018-00

Address: Fieldcrest Ln, Traverse City, MI 49685

2022 Taxable Value: 4,136 , 4,136

Delinquent Taxes: 1,268.19, 1,268.19

2022 SEV: 11,000, 11,000



These properties have been owned by previous owners for at least 20 years. Last payment made on property taxes was 1/9/2020 to pay off 2019 taxes. Have had no interaction with prior owners, both nice lots in between 2 nice houses in a subdivision behind tractor supply. Min bid \$1,268.19, \$ 1,268.19

02-310-059-00

LOT 59 LEISURE COURT

Address: 5333 W Mobile Trail Traverse City, MI 49685

Delinquent Taxes: 6,499.91

2022 Taxable Value: 12,486

2022 SEV: 16,300



This property was being purchased on Land Contract, the purchaser has contacted me and is requesting that we work with him to get the property back. Will want to work with counsel to prepare appropriate affidavit regarding liens if we do work with them. See request included in packet.

Min bid \$6,499.91.

02-335-006-00

Address: Perry's Loop, Traverse City MI 49685

2022 Taxable Value: 17,077

Delinquent Taxes: 3,469.15

2022 SEV: 20,000



This property was purchased by prior owner 8/28/18 for \$32,000. It was owned by a developer that has multiple properties that are delinquent. I have been approached by the prior owner to work with him to get the property back. I have advised him of the meeting, hopefully he will be here to state his case. This property did have a MI Dept of Treasury lien recorded in 2020. He will be eligible for any excess proceeds over the minimum bid & lien if we do send it to auction.

Min bid \$3,469.15.

02-370-007-00

LOT 7 MEADOW WOOD PINES

Address: 2020 Conetee Road, Traverse City MI 49685

2022 Taxable Value: 15,082

Delinquent Taxes: 2,094.99

2022 SEV: 25,900



This is a lot with affixed singlewide trailer. Prior owner purchased in 2002 for \$61,500. There is a mortgage held by Huntington bank recorded on the property in 2007. We have been contacted by the prior owner; he has asked the Land Bank to work with him to get his property back. We will want to work with counsel to prepare appropriate affidavit regarding liens if we do work with them. See request included in packet.

Min bid \$2,094.99.

04-012-009-01

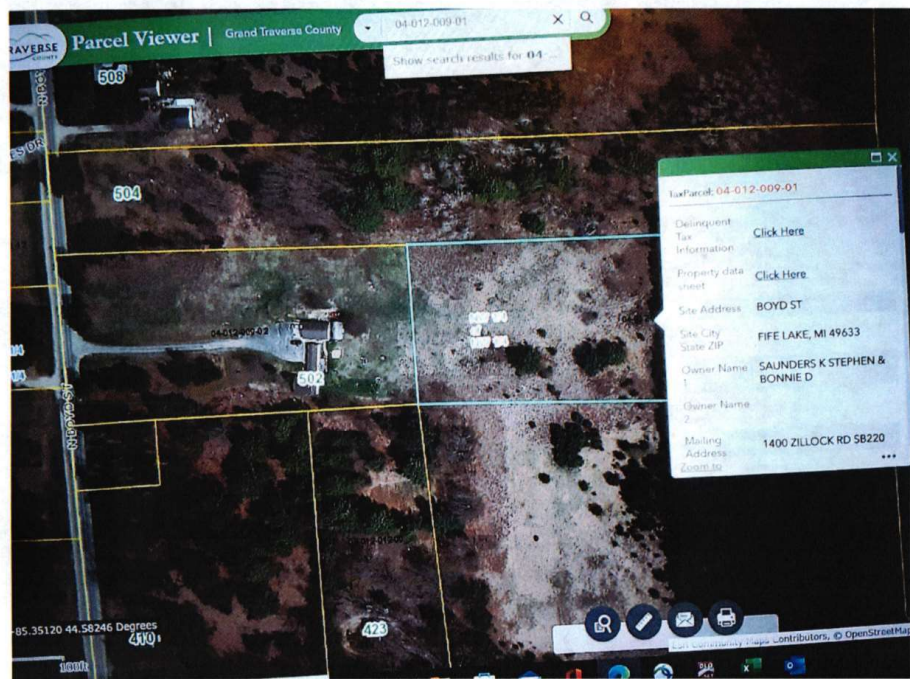
PT NW 1/4 SEC 12 T25N R9W. COM NW CNR SE 601.70'; S 88'20'19' E 533.18' TO POB; E 768.42'; S 267.12; W 768.81'; N 267.11' TO POB. 4.71A

Address: Boyd St., Fife Lake MI 49633

2022 Taxable Value: 7,223

Delinquent Taxes: 1,427.27

2022 SEV: 7,500



This appears to be a land locked 4.71 acre parcel in Fife Lake. Spoke to one of 6 children 4/14/23, advised options and 7/1/23 deadline for proceeds & 6/1/23 deadline for land bank assistance. Can see the benefit of putting in side lot program due to land locked, but due to size & potential proceeds interest may consider working with prior owner if requested or sending to auction. Min Bid \$1,427.27.

07-560-096-00

LOT 96 PENINSULAR SHORES PARK NO. 2.

Address: White Birch Drive, Grawn, MI 49637

2022 Taxable Value: 4,028

Delinquent Taxes: 1,289.56

2022 SEV: 4,300



This property was purchased by prior owner 5/14/19 for \$7,900. It was owned by a developer that has multiple properties that are delinquent. I have been approached by the prior owner to work with him to get the property back. I have advised him of the meeting, hopefully he will be here to state his case. This property did have a MI Dept of Treasury lien recorded in 2020. He will be eligible for any excess proceeds over the minimum bid & lien if we do send it to auction.

Min bid \$1,289.56.

10-140-040-00

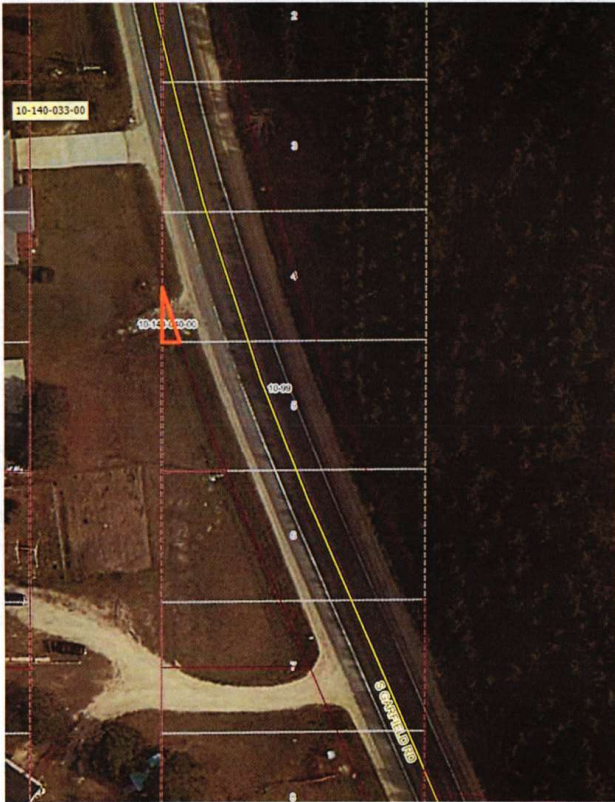
LOT 4 BLK 9 LYING W OF GARFIELD RD, VILLAGE OF MAYFIELD

Address: Forest St., Kingsley, MI 49649

2022 Taxable Value: 100

Delinquent Taxes: 582.83

2022 SEV: 100



This is a small parcel of land, we have been contacted by prior owner she does not want the property and encouraged foreclosure. It has \$100 taxable value and could benefit from the side lot program. Recommend exercising first right of refusal and offering to adjacent neighbor for delinquent tax amount.

Min bid \$582.83

42-035-040-00

UNIT NO 40 KINGSLEY HEIGHTS A CONDOMINIUM

Address: Pleasant Valley, Kingsley, MI 49649

Delinquent Taxes: 2,053.70

2022 Taxable Value: 8,538

2022 SEV: 12,500



This is a corner lot in a Kingsley subdivision prior owner purchased 10/11/18 \$15,000. Have had no correspondence with prior owner. There was a lien put on the property by an attorney for \$19,000.

Min bid \$2,053.70.

Silver Gate Investments LLC
PO Box 1927
Birmingham, MI 48012

May 5, 2023

Grand Traverse Land Bank
400 Boardman Avenue, Ste 104
Traverse City, MI 49684

email only: treasurer@gtcountymi.gov

RE: Reference Number 28-20-00007

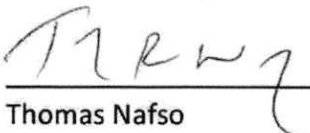
Please consider this request to exercise Silver Gate Investments LLC's foreclosure Right of First Refusal and negotiate a sale back for the taxes owed to Silver Gate Investments LLC for the below described property:

Parcel ID: 01-015-005-08
Address: 7053 E M 72, Williamsburg

To my knowledge there are no lien holders on this property.

Michael W Maher has the authority to act on Silver Gate Investment LLC's behalf.

Thank you for your attention in this matter and if I need to do anything further, please let me know.


Thomas Nafso
Silver Gate Investments LLC
its Member
248-939-2727
tommy@roundcube.org

cc: Michael W Maher

Fw: [EXTERNAL SENDER] 5333 w mobile trail

Treasurer Mailbox <treasurer@gtcountymi.gov>

Tue 4/25/2023 7:45 AM

To: Heidi Scheppe <HSCHEPPE@gtcountymi.gov>

From: Jose Perez <jpintc231@gmail.com>

Sent: Tuesday, April 25, 2023 7:44 AM

To: Treasurer Mailbox <treasurer@gtcountymi.gov>

Subject: [EXTERNAL SENDER] 5333 w mobile trail

parcel # 02-310-059-00

Hello, my name is Jose perez and I live at 5333 w mobile trl wich was recently foreclosed on for back taxes.. I would like to appeal the foreclosure and get the opportunity to buy back the property.. I was told there would be meeting held on June 23 where I could possibly have the opportunity to get property back, at this meeting I intend to have large portion of the back taxes as down payment. My fiancé and to two little boys would greatly appreciate the time and consideration.

[EXTERNAL SENDER] Foreclosure

bl7118 <bl7118@yahoo.com>

Parcel # 02-370-007-00

Thu 5/11/2023 12:09 PM

To: Treasurer Mailbox <treasurer@gtcountymi.gov>

I William H Lawrence who has been residing at 2020 Conetee Rd Understand that on April 1 ,2023 This property was put in foreclosure for non payment of taxes. I always intended to pay the taxes. In August. I was forced to quit my a grocery stocker because I was physically unable to perform it because of shoulder and back issues. I was unable to find other work that suited my situation. I have been living off my monthly social security ever since. That amount is \$1,168. I would be very grateful if there is some circumstance where you could work with me to repay the entire amount no later than Nov. of this year.

William H Lawrence

Sent via the Samsung Galaxy S21 Ultra 5G, an AT&T 5G smartphone

CRAIG W. ELHART, P.C.

Attorneys

Craig W. Elhart

Eric O'Hearn

Paralegal

Chloe Ellis

ELHART LAW OFFICE

329 South Union

Traverse City, MI 49684

Telephone: (231) 946-2420

Facsimile: (231) 946-0156

craig@elhart-law.com

Legal Assistant

Judy L. Schroeder

Receptionist

Sharon M. Vogelheim

May 15, 2023

Grand Traverse County Land Bank
treasurer@gtcountymi.gov

Re: Parcel ID#: 42-035-040-00
Reference #: 28-20-00256
Legal Description: Unit No 40 Kingsley Heights

Dear Sir or Madam:

Several years ago, I handled a case for Nikki and Dean Steinbauer. They failed to pay their account and gave me a Mortgage on the subject property referenced above. After numerous demands for payment, I finally had to foreclose on the property. A sheriff's sale took place on March 15, 2023, but unfortunately does not become final until the sheriff's deed takes actual effect on September 15, 2023. Accordingly, although I am an equitable owner, I may not be considered a legal owner under the terms of Michigan law. That having been said, I have talked at length to the owners and they intend to let me have the property. Accordingly, I am asking that you pull the property from auction. I am happy to pay the back-due taxes and whatever other fee you require so I may expeditiously proceed ahead.

Please advise regarding your position as soon as possible.

Very truly yours,

Craig W. Elhart

CWE:jls

cc: Mr. Christopher Forsyth

LAND BANK AGENDA ITEM

SUBJECT: Habitat for Humanity Grant Expenditures

FROM: Dean Bott, Director of Finance

FOR MEETING DATE: May 19, 2023

SUMMARY OF ITEM TO BE PRESENTED:

The following request has been received for reimbursement of material costs:

Andrews	\$3,940.99
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RECOMMENDATION:

Review and approval of payment request from Habitat for Humanity.



Grantee Name: Habitat for Humanity Grand Traverse Region **Date:** April 2023

Contact Info: Wendy Irvin, CEO; 231-941-4663, ext. 323; wendyi@habitatgtr.org

Project Location: Grand Traverse County **Date of Projects:** March/April 2023

Grant Requested : \$50,000 **Grant amount remaining:** 5011.84

Projects and amounts requested for reimbursement by GTLBA

Homeowner Name	Work Completed	Project Amount Submitted	Amount Approved
Andrews	Remove and replace old water heater with a more efficient water heater Replace skirting and secure it to home so animals do not enter the home. Replace needed insulation under the home from animal damage	3940.99	
TOTAL		\$3940.99 ✓	

Grant amount remaining after approvals: \$ 1,070.85

Andrews

Address: 1521 Andrew Pl Traverse City, MI 49686

Inspected by Absolute Home Services

Date of Inspection: 4/19/22

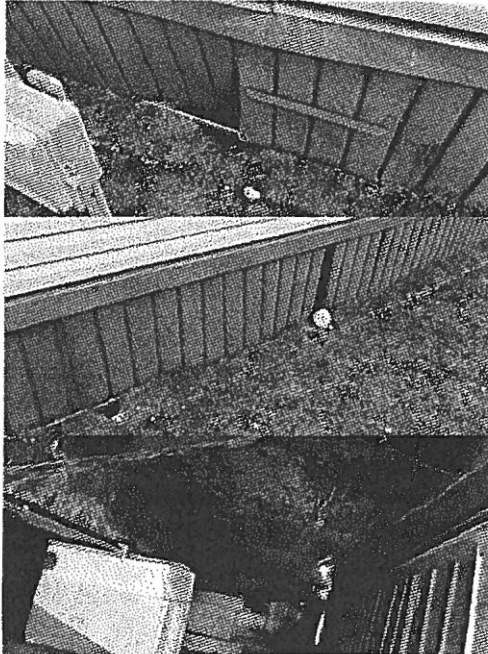
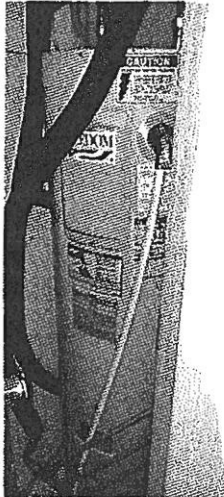
Date Completed:

Repair Completed: Replaced water heater, replaced insulation under trailer, removed and replaced skirting.

Total Cost: \$

Materials: \$

Before



After

L. Andrews

Address: 1521 Andrew Pl

Inspected by: Third Coast Energy Solutions

Date of Inspection: 04/19/22

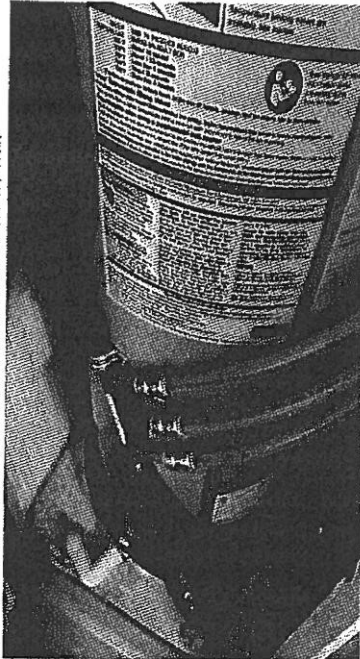
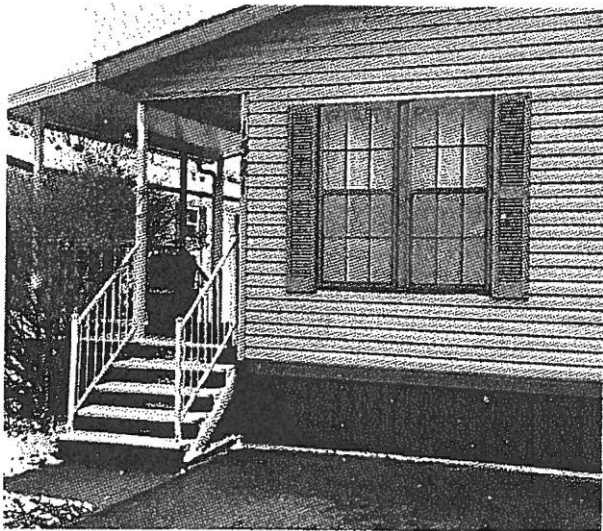
Date Completed: 04/16/2023

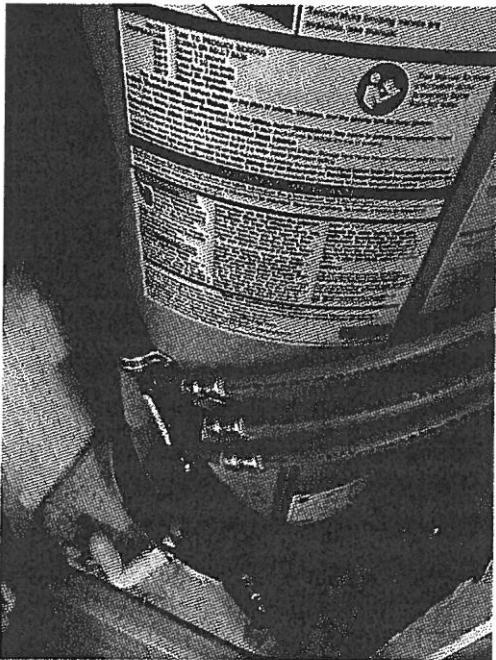
Repairs Completed:

Remove and replace old water heater with a more efficient water heater
Replace skirting and secured it to home so animals do not enter the home.
Replace needed insulation under the home from animal damage

Total cost: \$10,637.64

Materials: \$3940.99





Precision Plumbing and Heating Systems Inc.
2829 Cass Road
Traverse City, MI 49684

**PRECISION
PLUMBING &
HEATING** Systems, Inc.
Traverse City, MI

Bill To

Habitat for Humanity - GTR
PO Box 5412
Traverse City, MI 49696

Invoice

Date	Invoice #
8/29/2022	31720

Terms	Project
Upon Receipt	RETRO WH 2022 ...

Description	Qty	Rate	Amount
LENORA ANDREWS 1521 ANDREW PLACE TRAVERSE CITY, MI 49686			
MODEL# KTA040KD SERIAL# 2232130531740			
LABOR		479.65	479.65
MATERIAL		1,486.86	1,486.86
INSTALLED WITH SUPPORTING LABOR & MATERIALS PER PROPOSAL# R2010-1 DATED 8/19/2022 INSTALL DATE: 8/29/2022			
Material 1486.86 1486.86			
You may make your check payable to P.P.H.S. or you may pay by VISA, MASTERCARD or DISCOVER.		Total	\$1,966.51



Invoice

Date	Invoice #
4/3/2023	3684

PO Box 191, Lake Ann, MI 49650-0191
Hours: Mon-Fri 9a to 5p Phone: 231-943-2422
trish@libertysupplyandservice.com

Bill To

Habitat for Humanity GT
PO Box 5417
Traverse City, MI 49696

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
	Job site: Lenora Andrews, 1521 Andrew Pl, TC		
	Service Charge	125.00	125.00
	Labor	5,797.00	5,797.00
32	Chocolate Vinyl Skirting Prem Plus Panel	30.88063	988.18
1	Chocolate Vinyl Skirting Trim Kit	505.45	505.45
3	Chocolate Vinyl Skirting Bottom Track	13.76667	41.30
3	Chocolate Vinyl Skirting Back Track	13.78333	41.35
3	Chocolate Vinyl Skirting Top Track	14.40	43.20
	Misc treated lumber for the perimeter, stakes & hardware	455.25	455.25
	Misc insulation & underbelly materials	379.40	379.40
	Debris Disposal	295.00	295.00
	Removal of tree stub against home, to install ground track Remove all skirting panels, top and bottom trim, level ground around home, install treated perimeter, install new top and bottom trim, cut and install new vinyl skirting panels. Dispose of old skirting. Patch missing underbelly insulation		
	Non Tax through Habitat for Humanity A \$4,400.00 Deposit is due now to proceed with job		
	Sales Tax	6.00%	0.00
Material Total 2,454.13			

Thank you for your business.

A \$30 Fee will be added to the Invoice if not paid in full at time of Service.

Total \$8,671.13


Payments/Credits -\$4,400.00



Memorandum

County Administration
400 Boardman Avenue
Traverse City, MI 49684
(231) 922-4780

TO: Grand Traverse County Land Bank Authority

FROM: Christopher J. Forsyth, Deputy County Administrator 

DATE: May 15, 2023

SUBJECT: Village of Kingsley DDA Project; Changes to the Purchase Agreement and Development and Reimbursement Agreement; Auto Tech; Next Steps

Since the Land Bank approved both agreements at the April special meeting, there have been further negotiations and requests for edits from the sellers John and Melinda Sedlacek. Note, the sellers have signed the agreement. It is included with the redline versions of the changes to both agreements. Village DDA representatives will be at the special meeting to provide additional details. A suggested motion to accept the changes and sign both agreements is provided. DDA representatives will also provide an update on the Auto Tech property, the second parcel next to John's Auto that also is planned to be redeveloped.

The next step for the project is to seek two grants. First, a blight elimination grant from the State Land Bank Authority seeking reimbursement of the cost of acquisition and cover the cost of demolition. A proposed resolution is necessary and is provided. The second grant would be through the State Office of Rural Development for a rural readiness grant. If awarded, the grant of \$50,000 would be provided to support collaborative planning and capacity initiatives in rural communities. Specifically, the purpose of applying for this grant would be to assist the Village DDA in planning for the redevelopment of the two sites.

Suggested motion:

Resolved that the Grand Traverse County Land Bank Authority accepts John and Melinda Sedlacek changes to the purchase agreement, and authorizes the Chairperson to execute the purchase agreement on behalf of the Land Bank Authority; and

Further resolved that the Grand Traverse County Land Bank Authority approves the final version of the development and reimbursement agreement with the Village of Kingsley Downtown Development Authority, and authorizes the Chairperson to execute the development and reimbursement agreement on behalf of the Land Bank Authority; and

Finally resolved that the Chairperson, with the assistance of the Deputy County Administrator and Counsel, is authorized to take any other action necessary to implement the action of the Land Bank Authority.

RESOLUTION XX - 2023

**GRAND TRAVERSE COUNTY LAND BANK AUTHORITY RESOLUTION
AUTHORIZING SUBMISSION OF A PROPOSAL TO THE STATE LAND BANK
AUTHORITY FOR A BLIGHT ELIMINATION PROGRAM GRANT**

WHEREAS, on April 10, 2023, the State Land Bank Authority (SLBA) released a request for proposals (RFP) related to its Blight Elimination Program, Round 2; and

WHEREAS, the purpose of this program is to provide grant dollars to land bank authorities to address blighted properties in their communities; and

WHEREAS, blighted commercial and residential structures currently exist in the Village of Kingsley, Grand Traverse County, located at 103, 105, 111, W. Main St, which together are referred to as “John’s Auto” and

WHEREAS, the structures are blighted because through the execution of the attached purchase agreement, John’s Auto is under the control of the Grand Traverse County Land Bank Authority, will soon be vacant, and is planned to be demolished for the purpose of redevelopment; and

WHEREAS, the planned demolition, including acquisition, are eligibility activities as provided in the SLBA RFP for the Blight Elimination Program, Round 2; and

WHEREAS, the SLBA RFP requires that a land bank authority seeking a grant under this program, must submit as part of the grant application, a board resolution authorizing engagement regarding the blight elimination program RFP.

THEREFORE, BE IT RESOLVED the Grand Traverse County Land Bank Authority through this resolution hereby authorizes the Chairperson, County Treasurer Heidi Scheppe, to engage in the SLBA blight elimination program RFP, with the grant funds to be used to perform demolition activities, including reimbursement of the costs of acquiring John’s Auto, which collectively is composed of blighted structures located in the Village of Kingsley, Grand Traverse County.

BE IT FUTHER RESOLVED that the Chairperson, with the assistance of staff, is authorized to execute all other documentation and complete all necessary work needed to implement this resolution and submit a proposal to the SLBA RFP Blight Elimination Program.

ADOPTED: **INSERT DATE**

PURCHASE AGREEMENT

This PURCHASE AGREEMENT ("Agreement") is entered into and made effective as of this _____ day of May, 2023 ("Effective Date"), by and between the GRAND TRAVERSE COUNTY LAND BANK AUTHORITY, whose address is 400 Boardman Avenue, Suite 104, Traverse City, Michigan 49684 ("Buyer" or "Land Bank") and JOHN F. & MELINDA SUE SEDLACEK, husband and wife, whose address is P.O. Box 413, Kingsley, Michigan 49649 ("Sellers" or "Sedlaceks"), for the sale and transfer of title of real property located at 103, 105 & 111 West Main Street, Kingsley, Michigan 49649 and legally described on the attached **Exhibit A** ("Property") on the terms and conditions set forth below.

WHEREAS, the real property described on Exhibit A is on a prominent street corner in the Village of Kingsley, Michigan and previously served as the location of an auto-repair shop for many years; and

WHEREAS, the Village of Kingsley Downtown Development Authority ("DDA") has identified the Property as a potential opportunity for redevelopment;

WHEREAS, the Land Bank and the DDA have undertaken preliminary discussions regarding the potential redevelopment of the Property by the DDA with assistance from the Land Bank and the Land Bank is ready and willing to provide certain assistance with the redevelopment of the Property as detailed in this Purchase Agreement and in the Development and Reimbursement Agreement that is being executed contemporaneously herewith;

WHEREAS, the DDA and the Land Bank agree that the Land Bank will purchase the real property described on Exhibit A for the purpose of engaging with the DDA in order to facilitate the remediation and redevelopment of said property (the "Purpose"); and

WHEREAS, the Land Bank Authority is prepared and desires to undertake the purchase of the Property.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, the purchase price to be paid, the benefits to be derived herefrom, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Sale.** The Sellers agree to sell to the Land Bank, and the Land Bank agrees to purchase, the Property, including all of Sellers' rights, title, and interest in and to all appurtenances, easements, access rights, and similar rights, under the terms and conditions set forth in this Agreement.

2. **Purchase Price.** The purchase price for the Property shall be Three Hundred Fifty Thousand and 00/100 Dollars (\$350,000.00). The Purchase Price shall be payable to the Sellers at the Closing (as hereinafter defined) by cashier's check, cash, or other readily available funds as agreed upon in advance of closing by the parties. The Land Bank agrees to assume all other costs

associated with the conveyance of the Property as outlined in this Agreement, which may be reimbursed or paid directly by the Village of Kingsley DDA.

3. **Earnest Money Payments.** Upon acceptance of this Agreement by Sellers, the Land Bank shall make payment in monthly installments of One Thousand One Hundred and 00/100 Dollars (\$1,100.00) to the Sellers until Closing, which shall be prorated to the Closing date ("Earnest Money"). In recognition of the potential rental income not being collected by Seller during the Inspection Period, the Earnest Money shall be non-refundable and does not apply to the Purchase Price. In no event shall the Earnest Money exceed \$6,600.00. In the event the Land Bank proceeds to Closing prior to the end of the six-month due diligence period, the Land Bank will pay the Purchase Price at Closing as set forth above, and any outstanding prorated sum of the Earnest Money due and owing as of the date of Closing and no other Earnest Money shall be owed.

4. **Conveyance.** The Sellers will convey the Property by Warranty Deed to the Land Bank; a proposed sample deed is attached and incorporated herein as **Exhibit B** to this Agreement. Sellers shall deliver possession of the Property to the Land Bank at Closing. Sellers to ensure that any and all leases relative to the Property are terminated on or at closing.

5. **Conditions Precedent to the Land Bank's Obligation to Close.** The Buyer's obligation to Close on this transaction is subject to the following condition precedent: The Grand Traverse County Land Bank Authority shall have approved this Purchase Agreement as well as the Development and Reimbursement Agreement between the Buyer and the Village of Kingsley DDA which is expected to be executed contemporaneously herewith authorizing the Land Bank's purchase of this Property and the correlative rights, obligations, and responsibilities of the Land Bank and the DDA with respect to said Property.

6. **Inspection & Due Diligence.**

a. The Land Bank, at its sole cost and expense, shall have one hundred and eighty (180) days from the Effective Date for such physical inspections of the Property as the Land Bank deems desirable, including environmental site assessment(s), geotechnical investigation(s), utilities and other inspections (the "Inspection Period"). It will be the sole responsibility of the Land Bank to make its own investigations, studies, tests, reports, and other due diligence inquiries as to the Property as deemed appropriate by the Land Bank. A curtesy copy of any such reports shall be provided to Seller.

b. Sellers authorize the Land Bank and the Land Bank's agents to enter upon the Property for the purpose of conducting such inspections, studies, and tests thereon as the Land Bank may deem reasonably appropriate to ascertain the condition of the Property and its suitability for the redevelopment of the Property by the DDA, including, but not necessarily limited to, a Baseline Environmental Assessment as defined under Part 201 of the Michigan Natural Resources and Environmental Protection Act (NREPA)(MCL §324.20101 *et seq.*).

c. The Land Bank hereby releases Sellers of any and all liability associated with entry and inspection, and warrants that it will comply with applicable regulations regarding

environmental and other matters. The Land Bank shall provide the Sellers with such proof of insurance as the Sellers shall reasonably require, including pollution liability coverage provided by its environmental consultant. The Land Bank shall restore the Property and/or any damage to the Property occasioned by the Land Bank's inspection activities, and shall indemnify, defend, and hold Sellers harmless to the extent allowable by law against any loss or liability arising from the Land Bank's inspection activities. Such indemnity shall survive termination of this Agreement or the Closing, as the case may be, for a period of one (1) year.

d. The Land Bank may, at its own, sole expense, within thirty (30) days of the Effective Date, obtain a survey ("Survey") of the Property. If the Survey is not satisfactory, the Land Bank will give the Sellers written notice within twenty-one (21) days of the Land Bank's receipt of such Survey of the deficiencies in the Survey that must be corrected. If a Survey is obtained by the Land Bank a copy shall be provided to Seller.

e. After initiating its inspection activities, if the Land Bank is not reasonably satisfied with the results of its investigations and due diligence inquiries, the Land Bank, in its sole discretion, may proceed to Closing or may cancel this Agreement by providing written notice to the Sellers at any time prior to the expiration of the Inspection Period. In such case, the parties shall have no further obligations or liabilities hereunder, other than those which expressly survive the termination of this Agreement.

7. **Evidence of Title.** Either party may order and pay for a land survey and/or title work at their own expense.

- a. As evidence of title, Seller agrees to furnish the Land Bank a commitment for an enhanced owner's policy of title insurance issued by Northern Title Agency, Inc. (or a similar national title insurance company acceptable to the Land Bank offering a substantially similar policy of title insurance) (the "Title Commitment") in an amount not less than the Purchase Price, together with legible copies of all recorded documents with the owner's policy to be issued at Closing pursuant to the commitment insuring marketable title (as defined below) to the Property in the name of the Land Bank.
- b. Sellers will execute an owners' affidavit and such other documents as the title insurance company or its agent typically requires for the issuance of a policy without standard survey-related exceptions. For purposes of this Agreement, *marketable title* means fee simple title free and clear of any and all liens and encumbrances whatsoever, except only recorded and enforceable building and use restrictions, public utility easements of record, and zoning ordinances, which appear in the title commitment and will not constitute title defects or render the title to the Property unmarketable.
- c. The title commitment shall be provided to the Land Bank no less than seven (7) days prior to Closing. As soon as practicable, the Land Bank shall notify the Sellers of any deficiencies in the title that must be corrected prior to Closing, and the parties

shall confer in good faith to determine the means by which any such deficiencies shall be corrected in order for this transaction to be able to proceed to Closing, including, but not limited to, an extension of time for the proposed Closing Date in order to carry out such correction(s).

8. **Environmental.** The Land Bank acknowledges that the Sellers assume no liability or responsibility for the presence of any toxic, hazardous, polluting, or injurious substances on, in, or below the Property. Except as expressly stated herein, Sellers make no representations as to any toxic, hazardous, polluting, or injurious substances on, in, or below the Property or any property adjacent to the Property.

- a. The Land Bank agrees to take no administrative, judicial, or other legal action against the Sellers because of the existence or discovery of any toxic, hazardous, polluting or injurious substances. Actions include, but are not limited to, any action for contribution, cost recovery, third party action, injunctive relief to compel the Sellers to investigate or take remedial action, declaratory relief, damages, or any action associated with any obligations the Land Bank may have to comply with federal, state or local law in conjunction with the investigation, removal, or abatement of any toxic, hazardous, polluting or injurious substance(s).
- b. The Land Bank agrees to release the Sellers from any and all existing and future claims related to the existence or discovery of any toxic, hazardous, polluting or injurious materials in, on, below or emanating from the Property. Nothing in this paragraph shall be deemed to prohibit the Sellers from contributing to or otherwise assisting with any investigation, removal, or abatement of any toxic, hazardous, polluting, or injurious substance(s) in, on, below, or emanating from the Property.
- c. Sellers make no representation or warranty as to the truth, accuracy or completeness of any materials, data or information delivered or made available by Sellers to the Land Bank in connection with the sale of the Property. The Land Bank acknowledges and agrees that all materials, data and information delivered or made available by Sellers to the Land Bank are provided as a convenience only and that any reliance on or use of such materials, data or information by the Land Bank will be at the Land Bank's sole risk.
- d. Without limiting the foregoing provisions, the Land Bank acknowledges and agrees that (a) any environmental or other report regarding the Property which is delivered or made available by Sellers to the Land Bank will be for general informational purposes only, (b) the Land Bank will not have any right to rely on such report delivered or made available by Sellers to Land Bank, but rather will rely on its own inspections and investigations of the Property and any reports commissioned by the Land Bank with respect thereto, and (c) neither Sellers nor the person or entity which prepared any such report delivered or made available by Sellers to the Land Bank will have any liability to the Land Bank for any inaccuracy in or omission from any such report.

9. **Personal Property, Fixtures and Equipment.** It is contemplated and agreed that the Sellers shall have the right to remove from the Property, any personal property, including any fixtures or equipment ("Personal Property") on the Property from the Property. The Personal Property shall not be deemed part of the sale contemplated herein. Any personal property, fixtures or equipment remaining on the Property and after the up to 60 day period Seller is allowed to remain at the property for purposes of removing their belongings, (as set forth in paragraph 12, below) shall be deemed property of the Land Bank to do with as they deem appropriate and without further claim by Sellers.

10. **"As Is" Transaction.** The Land Bank acknowledges that the Sellers do not make any representations or warranties of any kind whatsoever, either express or implied, except as expressly contained in this Agreement with respect to the Property or any related matters and that the Property is being transferred to the Land Bank in "As Is" condition, with all faults." In particular, the Sellers make no representations or warranties with respect to the use, physical condition, occupation or management of the Property, compliance with applicable statutes, laws, codes, ordinances, regulations, or requirements relating to leasing, zoning, subdivision, planning, building, fire, safety, health, or environmental matters, compliance with covenants, conditions and restrictions (whether or not of record), other local, municipal, regional, state or federal requirements, or other statutes, laws, codes, ordinances, regulations, or requirements.

SELLERS MAKE NO REPRESENTATIONS OR WARRANTIES AS TO THE ENVIRONMENTAL CONDITION OF THE PROPERTY. THE LAND BANK WILL RELY SOLELY ON ITS OWN INVESTIGATION AND REVIEW OF THE ENVIRONMENTAL CONDITION OF THE PROPERTY AND ANY ENVIRONMENTAL REPORT(S) OR ASSESSMENT(S) OBTAINED BY THE LAND BANK IN MAKING ANY DECISIONS REGARDING THE SUITABILITY OF THE PROPERTY.

Upon Closing, the Land Bank will be deemed to have accepted the Property in "as is condition, with all faults," including the location and extent of boundaries, the condition of all improvements, and the environmental condition of the Property.

11. **Taxes and Prorated Items.** Sellers will pay, at or prior to Closing, all real estate taxes and current assessments levied or assessed against the Property that are due or are a lien on the Property as of the Closing date. Current taxes will be prorated on a due date basis as paid in advance, based on the assumption taxes are paid in advance in the manner which is customary in the locality where the Property is located. Sellers shall be responsible to pay the cost of all utilities and service charges at the Property at or immediately prior to Closing through and including the date of transfer of possession and occupancy to the Land Bank, including but not limited to, electricity, gas, water, sewer, telephone, refuse collection, and other utilities. Sellers will pay all other expenses pertaining to Sellers' ownership or use of the Property, such amounts to be paid prior to Closing to the extent such amounts could result in any lien or claim against Buyer or the Property and in any event will be paid prior to delinquency.

12. **Closing.** The Land Bank and the Sellers shall close this transaction ("Closing") on the date (the "Closing Date") that is mutually agreeable to the parties. If the Agreement is not

terminated prior to the expiration of the Inspection Period, then the Land Bank shall be deemed to have accepted the condition of the Property and Closing shall then occur, unless agreed to by the parties, by no less than 45-days and no more than 60-days after the expiration of the Inspection Period. Closing shall take place via escrow or at the office of the Title Company or such other place as the parties may mutually agree. All closing costs and special assessments, if any, will be paid by the Land Bank. Each of the parties shall be responsible for its own legal fees. Up to 60 days after Closing, Seller may remain at the property for purposes of removing their belongings, but shall not operate any business therefrom. The Land Banks shall not charge rent to Seller during that time. The period of time the Seller may remain at the property may also be extended for an additional 60-day period, upon the mutual agreement of both the Land Bank and the Sellers

13. **Buyer's Representations and Warranties.** The Land Bank represents and warrants to the Sellers as follows:

- a. The Land Bank has the full right, power and authority to purchase the Property as provided in this Agreement and to carry out the Land Bank's obligations hereunder, and all requisite action necessary to authorize the Land Bank to enter into this Agreement and to carry out its obligations hereunder have been, or by the Closing will have been, taken. The person signing this Agreement on behalf of the Land Bank is duly authorized to do so.
- b. There is no action, suit, arbitration, unsatisfied order or judgment, government investigation or proceeding pending against the Land Bank which, if adversely determined, could interfere with the consummation of the transaction contemplated by this Agreement.
- c. The foregoing representations and warranties of the Land Bank shall be continuing and shall be true and correct as of the Effective Date and as of the Closing, and all such representations and warranties shall survive the Closing.

14. **Governing Law.** The validity, enforceability, interpretation of this Agreement shall be construed under and in accordance with the laws of the State of Michigan where the Property is located.

15. **Binding Effect.** This Agreement shall bind the parties hereto, their respective heirs and assigns. The Buyer may freely assign its interest hereunder.

16. **Notices.** Any notices, demands, or requests required or permitted to be given hereunder must be in writing and shall be deemed to be given (i) when hand delivered; or (ii) one (1) business day after delivery by FedEx or similar overnight service for next business day delivery; or (iii) three (3) business days after deposit in the U.S. mail first class postage prepaid; or (iv) when sent by facsimile or electronic transmission (by PDF) during normal business hours (i.e., 8:00 a.m. to 6:00 p.m., Monday through Friday), if such transmission is immediately followed

by any of the other methods for giving notice. In all cases, notices shall be addressed to the parties at their respective addresses given below:

If to Sellers:

JOHN F. & MELINDA S. SEDLACEK
P.O. Box 413
Kingsley, Michigan 49649
Ph.: (231) 633-1214
Email: _____
Fax: _____

With Copy to:

Roy Jay Montney, Jr., Esq.
Montney Isles, PLC
1022 E Front Street
Traverse City, MI 49686
231-922-9600
rjmontney@m2plc.com

If to Buyer:

GRAND TRAVERSE COUNTY LAND BANK AUTHORITY
400 Boardman Avenue, Suite 104
Traverse City, Michigan 49684
Ph.: (231) 922-4735
Email: _____
Fax: _____

With a Copy to:

OLSON, BZDOK & HOWARD, PC
420 East Front Street
Traverse City, Michigan 49686
Ph.: (231) 946-0044
Email: ross@envlaw.com
Fax: (231) 946-4807

17. **Sellers' Default.** In the event of Sellers' default, the Land Bank may elect to treat this Agreement as cancelled, in which case all monies, excepted earned Escrow Money, paid by the Land Bank hereunder shall be returned and the Land Bank may recover such damages as may be proper, or the Land Bank may elect to treat this Agreement as being in full force and effect and the Land Bank shall have the right to specific performance or damages, or both.

18. **Buyer's Default.** In the event of Buyer's default, Sellers' remedies shall be limited to liquidated damages in the amount of Six Thousand Six Hundred and 00/100 Dollars (\$6,600.00) [OR] any monies actually paid by the Land Bank to the Sellers up to the date of the occurrence of the event of default. It is agreed that such payments and things of value are liquidated damages

and are Sellers' sole and only remedy for the Land Bank's failure to perform the obligations of this Agreement. The parties agree that Sellers' actual damages in the event of the Land Bank's default would be difficult to measure, and the amount of the liquidated damages provided herein is a reasonable estimate of said damages.

19. **Termination.** In the event this Agreement is terminated, as provided in this Agreement, absent a default, any monies actually paid by the Land Bank to the Sellers shall be returned to the Land Bank, in-full, within fourteen (14) business days with all parties being relieved of their obligations as set forth herein.

20. **Miscellaneous Provisions.**

- a. Each provision of this Agreement is severable from all other provisions of the Agreement and, if one or more of the provisions of the Agreement is declared invalid, the remaining provisions of this Agreement shall remain in full force and effect.
- b. This Agreement may be changed or modified only if in writing and signed by both parties.
- c. No third party shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Closing.
- d. Each party will, without further consideration, execute and deliver such other documents and take such other action, whether prior or subsequent to Closing, as may be reasonably requested by the other party to consummate more effectively this Agreement. Without limiting the generality of the foregoing, the parties agree to, if requested by the other party, execute acknowledgments of receipt with respect to any materials delivered with respect to the Property. The provisions of this Section will survive Closing.
- e. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, and all of which when taken together, will constitute the same instrument.
- f. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing to the party making the waiver.
- g. The Land Bank and the Sellers acknowledge that there are no real estate brokers that are owed a commission for the purchase and sale of the Property pursuant to this Agreement.
- h. Both parties acknowledge and agree that they have been provided sufficient time and opportunity to consult with and be represented by legal counsel and/or financial

advisors of their own choosing with respect to the review of this Agreement, and that they enter into said Agreement without duress or coercion and based on their own judgment and not in reliance upon any representation or promises made by the other party other than those contained herein. This Agreement shall be interpreted to have been drafted jointly by the parties hereto.

21. **Entire Agreement.** This instrument constitutes the entire agreement between the Sellers and the Land Bank, and there are no other terms, conditions, promises, understandings, statements or representations, express or implied, oral or written, concerning the transaction contemplated herein.

22. **Successors and Assigns.** This Agreement shall be binding on and will inure to the benefit of and bind both parties, as well as their respective agents, representatives, executors, administrators, heirs, successors and assigns.

Accordingly, the Sellers and the Land Bank have executed this Agreement to be considered effective as of the date first written above.

SELLER:
JOHN F. SEDLACEK

SELLER:
MELINDA SUE SEDLACEK





BUYER:
GRAND TRAVERSE COUNTY LAND BANK AUTHORITY

By: _____
Its: _____

Exhibit A
Legal Description of the Property

1. LOT 72 & N 12.62' OF LOT 73 ASSESSOR'S MAP OF KINGSLEY
2/99 MCNAIR RETAIN USE OF EXISTING DRIVEWAY FOR INGRESS &
EGRESS TO BLDG ON LOT 69.
Tax Parcel ID No. 42-050-081-00
Commonly Referred to as: 103 W. Main St., Kingsley, Michigan 49649

2. LOT 69, ASSESSOR'S MAP OF KINGSLEY
Tax Parcel ID No. 42-050-077-00
Commonly Referred to as: 105 W. Main St., Kingsley, Michigan 49649

3. E 1/2 OF LOT 68 ASSESSOR'S MAP OF KINGSLEY
Tax Parcel ID No. 42-050-076-00
Commonly Referred to as: 111 W. Main St., Kingsley, Michigan 49649

Exhibit B
SAMPLE Warranty Deed

See attached.

PURCHASE AGREEMENT

This PURCHASE AGREEMENT (“Agreement”) is entered into and made effective as of this _____ day of _____, 2023 (“Effective Date”), by and between the GRAND TRAVERSE COUNTY LAND BANK AUTHORITY, whose address is 400 Boardman Avenue, Suite 104, Traverse City, Michigan 49684 (“Buyer” or “Land Bank”) and JOHN F. & MELINDA SUE SEDLACEK, husband and wife, whose address is P.O. Box 413, Kingsley, Michigan 49649 (“Sellers” or “Sedlaceks”), for the sale and transfer of title of real property located at 103, 105 & 111 West Main Street, Kingsley, Michigan 49649 and legally described on the attached **Exhibit A** (“Property”) on the terms and conditions set forth below.

WHEREAS, the real property described on Exhibit A is on a prominent street corner in the Village of Kingsley, Michigan and previously served as the location of an auto-repair shop for many years; and

WHEREAS, the Village of Kingsley Downtown Development Authority (“DDA”) has identified the Property as a potential opportunity for redevelopment;

WHEREAS, the Land Bank and the DDA have undertaken preliminary discussions regarding the potential redevelopment of the Property by the DDA with assistance from the Land Bank and the Land Bank is ready and willing to provide certain assistance with the redevelopment of the Property as detailed in this Purchase Agreement and in the Development and Reimbursement Agreement that is being executed contemporaneously herewith;

WHEREAS, the DDA and the Land Bank agree that the Land Bank will purchase the real property described on Exhibit A for the purpose of engaging with the DDA in order to facilitate the remediation and redevelopment of said property (the “Purpose”); and

WHEREAS, the Land Bank Authority is prepared and desires to undertake the purchase of the Property.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, the purchase price to be paid, the benefits to be derived herefrom, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Sale.** The Sellers agree to sell to the Land Bank, and the Land Bank agrees to purchase, the Property, including all of Sellers’ rights, title, and interest in and to all appurtenances, easements, access rights, and similar rights, under the terms and conditions set forth in this Agreement.

2. **Purchase Price.** The purchase price for the Property shall be Three Hundred Fifty Thousand and 00/100 Dollars (\$350,000.00). The Purchase Price shall be payable to the Sellers at the Closing (as hereinafter defined) by cashier’s check, cash, or other readily available funds as agreed upon in advance of closing by the parties. The Land Bank agrees to assume all other costs

associated with the conveyance of the Property as outlined in this Agreement, which may be reimbursed or paid directly by the Village of Kingsley DDA.

3. **Earnest Money Payments.** Upon acceptance of this Agreement by Sellers, the Land Bank shall make payment in monthly installments of One Thousand One Hundred and 00/100 Dollars (\$1,100.00) to the Sellers until Closing, which shall be prorated to the Closing date ("Earnest Money"). In recognition of the potential rental income not being collected by Seller during the Inspection Period, the Earnest Money shall be non-refundable and does not apply to the Purchase Price. In no event shall the Earnest Money exceed \$6,600.00. In the event the Land Bank proceeds to Closing prior to the end of the six-month due diligence period, the Land Bank will pay the Purchase Price at Closing as set forth above, and any outstanding prorated sum of the Earnest Money due and owing as of the date of Closing and no other Earnest Money shall be owed.

4. **Conveyance.** The Sellers will convey the Property by Warranty Deed to the Land Bank; a proposed sample deed is attached and incorporated herein as **Exhibit B** to this Agreement. Sellers shall deliver possession of the Property to the Land Bank at Closing. Sellers to ensure that any and all leases relative to the Property are terminated on or at closing.

5. **Conditions Precedent to the Land Bank's Obligation to Close.** The Buyer's obligation to Close on this transaction is subject to the following condition precedent: The Grand Traverse County Land Bank Authority shall have approved this Purchase Agreement as well as the Development and Reimbursement Agreement between the Buyer and the Village of Kingsley DDA which is expected to be executed contemporaneously herewith authorizing the Land Bank's purchase of this Property and the correlative rights, obligations, and responsibilities of the Land Bank and the DDA with respect to said Property.

6. **Inspection & Due Diligence.**

a. The Land Bank, at its sole cost and expense, shall have one hundred and eighty (180) days from the Effective Date for such physical inspections of the Property as the Land Bank deems desirable, including environmental site assessment(s), geotechnical investigation(s), utilities and other inspections (the "Inspection Period"). It will be the sole responsibility of the Land Bank to make its own investigations, studies, tests, reports, and other due diligence inquiries as to the Property as deemed appropriate by the Land Bank. A curtesy copy of any such reports shall be provided to Seller.

b. Sellers authorize the Land Bank and the Land Bank's agents to enter upon the Property for the purpose of conducting such inspections, studies, and tests thereon as the Land Bank may deem reasonably appropriate to ascertain the condition of the Property and its suitability for the redevelopment of the Property by the DDA, including, but not necessarily limited to, a Baseline Environmental Assessment as defined under Part 201 of the Michigan Natural Resources and Environmental Protection Act (NREPA)(MCL §324.20101 *et seq.*).

c. The Land Bank hereby releases Sellers of any and all liability associated with entry and inspection, and warrants that it will comply with applicable regulations regarding

environmental and other matters. The Land Bank shall provide the Sellers with such proof of insurance as the Sellers shall reasonably require, including pollution liability coverage provided by its environmental consultant. The Land Bank shall restore the Property and/or any damage to the Property occasioned by the Land Bank's inspection activities, and shall indemnify, defend, and hold Sellers harmless to the extent allowable by law against any loss or liability arising from the Land Bank's inspection activities. Such indemnity shall survive termination of this Agreement or the Closing, as the case may be, for a period of one (1) year.

d. The Land Bank may, at its own, sole expense, within thirty (30) days of the Effective Date, obtain a survey ("Survey") of the Property. If the Survey is not satisfactory, the Land Bank will give the Sellers written notice within twenty-one (21) days of the Land Bank's receipt of such Survey of the deficiencies in the Survey that must be corrected. If a Survey is obtained by the Land Bank a copy shall be provided to Seller.

e. After initiating its inspection activities, if the Land Bank is not reasonably satisfied with the results of its investigations and due diligence inquiries, the Land Bank, in its sole discretion, may proceed to Closing or may cancel this Agreement by providing written notice to the Sellers at any time prior to the expiration of the Inspection Period. In such case, the parties shall have no further obligations or liabilities hereunder, other than those which expressly survive the termination of this Agreement.

7. **Evidence of Title.** Either party may order and pay for a land survey and/or title work at their own expense.

- a. As evidence of title, Seller agrees to furnish the Land Bank a commitment for an enhanced owner's policy of title insurance issued by Northern Title Agency, Inc. (or a similar national title insurance company acceptable to the Land Bank offering a substantially similar policy of title insurance) (the "Title Commitment") in an amount not less than the Purchase Price, together with legible copies of all recorded documents with the owner's policy to be issued at Closing pursuant to the commitment insuring marketable title (as defined below) to the Property in the name of the Land Bank.
- b. Sellers will execute an owners' affidavit and such other documents as the title insurance company or its agent typically requires for the issuance of a policy without standard survey-related exceptions. For purposes of this Agreement, *marketable title* means fee simple title free and clear of any and all liens and encumbrances whatsoever, except only recorded and enforceable building and use restrictions, public utility easements of record, and zoning ordinances, which appear in the title commitment and will not constitute title defects or render the title to the Property unmarketable.
- c. The title commitment shall be provided to the Land Bank no less than seven (7) days prior to Closing. As soon as practicable, the Land Bank shall notify the Sellers of any deficiencies in the title that must be corrected prior to Closing, and the parties

shall confer in good faith to determine the means by which any such deficiencies shall be corrected in order for this transaction to be able to proceed to Closing, including, but not limited to, an extension of time for the proposed Closing Date in order to carry out such correction(s).

8. **Environmental.** The Land Bank acknowledges that the Sellers assume no liability or responsibility for the presence of any toxic, hazardous, polluting, or injurious substances on, in, or below the Property. Except as expressly stated herein, Sellers make no representations as to any toxic, hazardous, polluting, or injurious substances on, in, or below the Property or any property adjacent to the Property.

- a. The Land Bank agrees to take no administrative, judicial, or other legal action against the Sellers because of the existence or discovery of any toxic, hazardous, polluting or injurious substances. Actions include, but are not limited to, any action for contribution, cost recovery, third party action, injunctive relief to compel the Sellers to investigate or take remedial action, declaratory relief, damages, or any action associated with any obligations the Land Bank may have to comply with federal, state or local law in conjunction with the investigation, removal, or abatement of any toxic, hazardous, polluting or injurious substance(s).
- b. The Land Bank agrees to release the Sellers from any and all existing and future claims related to the existence or discovery of any toxic, hazardous, polluting or injurious materials in, on, below or emanating from the Property. Nothing in this paragraph shall be deemed to prohibit the Sellers from contributing to or otherwise assisting with any investigation, removal, or abatement of any toxic, hazardous, polluting, or injurious substance(s) in, on, below, or emanating from the Property.
- c. Sellers make no representation or warranty as to the truth, accuracy or completeness of any materials, data or information delivered or made available by Sellers to the Land Bank in connection with the sale of the Property. The Land Bank acknowledges and agrees that all materials, data and information delivered or made available by Sellers to the Land Bank are provided as a convenience only and that any reliance on or use of such materials, data or information by the Land Bank will be at the Land Bank's sole risk.
- d. Without limiting the foregoing provisions, the Land Bank acknowledges and agrees that (a) any environmental or other report regarding the Property which is delivered or made available by Sellers to the Land Bank will be for general informational purposes only, (b) the Land Bank will not have any right to rely on such report delivered or made available by Sellers to Land Bank, but rather will rely on its own inspections and investigations of the Property and any reports commissioned by the Land Bank with respect thereto, and (c) neither Sellers nor the person or entity which prepared any such report delivered or made available by Sellers to the Land Bank will have any liability to the Land Bank for any inaccuracy in or omission from any such report.

9. **Personal Property, Fixtures and Equipment.** It is contemplated and agreed that the Sellers shall have the right to remove from the Property, any personal property, including any fixtures or equipment (“Personal Property”) on the Property from the Property. The Personal Property shall not be deemed part of the sale contemplated herein. Any personal property, fixtures or equipment remaining on the Property and after the up to 60 day period Seller is allowed to remain at the property for purposes of removing their belongings, (as set forth in paragraph 12, below) shall be deemed property of the Land Bank to do with as they deem appropriate and without further claim by Sellers.

9.10. **“As Is” Transaction.** The Land Bank acknowledges that the Sellers do not make any representations or warranties of any kind whatsoever, either express or implied, except as expressly contained in this Agreement with respect to the Property or any related matters and that the Property is being transferred to the Land Bank in “As Is” condition, with all faults.” In particular, the Sellers make no representations or warranties with respect to the use, physical condition, occupation or management of the Property, compliance with applicable statutes, laws, codes, ordinances, regulations, or requirements relating to leasing, zoning, subdivision, planning, building, fire, safety, health, or environmental matters, compliance with covenants, conditions and restrictions (whether or not of record), other local, municipal, regional, state or federal requirements, or other statutes, laws, codes, ordinances, regulations, or requirements.

SELLERS MAKE NO REPRESENTATIONS OR WARRANTIES AS TO THE ENVIRONMENTAL CONDITION OF THE PROPERTY. THE LAND BANK WILL RELY SOLELY ON ITS OWN INVESTIGATION AND REVIEW OF THE ENVIRONMENTAL CONDITION OF THE PROPERTY AND ANY ENVIRONMENTAL REPORT(S) OR ASSESSMENT(S) OBTAINED BY THE LAND BANK IN MAKING ANY DECISIONS REGARDING THE SUITABILITY OF THE PROPERTY.

Upon Closing, the Land Bank will be deemed to have accepted the Property in “as is condition, with all faults,” including the location and extent of boundaries, the condition of all improvements, and the environmental condition of the Property.

~~10.11.~~ **Taxes and Prorated Items.** Sellers will pay, at or prior to Closing, all real estate taxes and current assessments levied or assessed against the Property that are due or are a lien on the Property as of the Closing date. Current taxes will be prorated on a due date basis as paid in advance, based on the assumption taxes are paid in advance in the manner which is customary in the locality where the Property is located. Sellers shall be responsible to pay the cost of all utilities and service charges at the Property at or immediately prior to Closing through and including the date of transfer of possession and occupancy to the Land Bank, including but not limited to, electricity, gas, water, sewer, telephone, refuse collection, and other utilities. Sellers will pay all other expenses pertaining to Sellers’ ownership or use of the Property, such amounts to be paid prior to Closing to the extent such amounts could result in any lien or claim against Buyer or the Property and in any event will be paid prior to delinquency.

~~11.12.~~ **Closing.** The Land Bank and the Sellers shall close this transaction (“Closing”) on the date (the “Closing Date”) that is mutually agreeable to the parties. If the Agreement is not

terminated prior to the expiration of the Inspection Period, then the Land Bank shall be deemed to have accepted the condition of the Property and Closing shall then occur, unless agreed to by the parties, by no less than 45-days and no more than 60-days after the expiration of the Inspection Period. Closing shall take place via escrow or at the office of the Title Company or such other place as the parties may mutually agree. All closing costs and special assessments, if any, will be paid by the Land Bank. Each of the parties shall be responsible for its own legal fees. Up to 60 days after Closing, Seller may remain at the property for purposes of removing their belongings, but shall not operate any business therefrom. The Land Banks shall not charge rent to Seller during that time. The period of time the Seller may remain at the property may also be extended for an additional 60-day period, upon the mutual agreement of both the Land Bank and the Sellers

12.13. Buyer's Representations and Warranties. The Land Bank represents and warrants to the Sellers as follows:

- a. The Land Bank has the full right, power and authority to purchase the Property as provided in this Agreement and to carry out the Land Bank's obligations hereunder, and all requisite action necessary to authorize the Land Bank to enter into this Agreement and to carry out its obligations hereunder have been, or by the Closing will have been, taken. The person signing this Agreement on behalf of the Land Bank is duly authorized to do so.
- b. There is no action, suit, arbitration, unsatisfied order or judgment, government investigation or proceeding pending against the Land Bank which, if adversely determined, could interfere with the consummation of the transaction contemplated by this Agreement.
- c. The foregoing representations and warranties of the Land Bank shall be continuing and shall be true and correct as of the Effective Date and as of the Closing, and all such representations and warranties shall survive the Closing.

13.14. Governing Law. The validity, enforceability, interpretation of this Agreement shall be construed under and in accordance with the laws of the State of Michigan where the Property is located.

14.15. Binding Effect. This Agreement shall bind the parties hereto, their respective heirs and assigns. The Buyer may freely assign its interest hereunder.

15.16. Notices. Any notices, demands, or requests required or permitted to be given hereunder must be in writing and shall be deemed to be given (i) when hand delivered; or (ii) one (1) business day after delivery by FedEx or similar overnight service for next business day delivery; or (iii) three (3) business days after deposit in the U.S. mail first class postage prepaid; or (iv) when sent by facsimile or electronic transmission (by PDF) during normal business hours (i.e., 8:00 a.m. to 6:00 p.m., Monday through Friday), if such transmission is immediately followed

by any of the other methods for giving notice. In all cases, notices shall be addressed to the parties at their respective addresses given below:

If to Sellers:

JOHN F. & MELINDA S. SEDLACEK

P.O. Box 413

Kingsley, Michigan 49649

Ph.: (231—) 633-1214—

Email: _____

Fax: _____

With Copy to:

Roy Jay Montney, Jr., Esq.

Montney Isles, PLC

1022 E Front Street

Traverse City, MI 49686

231-922-9600

rjmontney@m2plc.com

If to Buyer:

GRAND TRAVERSE COUNTY LAND BANK AUTHORITY

400 Boardman Avenue, Suite 104

Traverse City, Michigan 49684

Ph.: (231) 922-4735

Email: _____

Fax: _____

With a Copy to:

OLSON, BZDOK & HOWARD, PC

420 East Front Street

Traverse City, Michigan 49686

Ph.: (231) 946-0044

Email: ross@envlaw.com

Fax: (231) 946-4807

16.17. Sellers' Default. In the event of Sellers' default, the Land Bank may elect to treat this Agreement as cancelled, in which case all monies, excepted earned Escrow Money, paid by the Land Bank hereunder shall be returned and the Land Bank may recover such damages as may be proper, or the Land Bank may elect to treat this Agreement as being in full force and effect and the Land Bank shall have the right to specific performance or damages, or both.

17.18. Buyer's Default. In the event of Buyer's default, Sellers' remedies shall be limited to liquidated damages in the amount of Six Thousand Six Hundred and 00/100 Dollars (\$6,600.00) [OR] any monies actually paid by the Land Bank to the Sellers up to the date of the occurrence of the event of default. It is agreed that such payments and things of value are liquidated damages

and are Sellers' sole and only remedy for the Land Bank's failure to perform the obligations of this Agreement. The parties agree that Sellers' actual damages in the event of the Land Bank's default would be difficult to measure, and the amount of the liquidated damages provided herein is a reasonable estimate of said damages.

18.19. Termination. In the event this Agreement is terminated, as provided in this Agreement, absent a default, any monies actually paid by the Land Bank to the Sellers shall be returned to the Land Bank, in-full, within fourteen (14) business days with all parties being relieved of their obligations as set forth herein.

19.20. Miscellaneous Provisions.

- a. Each provision of this Agreement is severable from all other provisions of the Agreement and, if one or more of the provisions of the Agreement is declared invalid, the remaining provisions of this Agreement shall remain in full force and effect.
- b. This Agreement may be changed or modified only if in writing and signed by both parties.
- c. No third party shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Closing.
- d. Each party will, without further consideration, execute and deliver such other documents and take such other action, whether prior or subsequent to Closing, as may be reasonably requested by the other party to consummate more effectively this Agreement. Without limiting the generality of the foregoing, the parties agree to, if requested by the other party, execute acknowledgments of receipt with respect to any materials delivered with respect to the Property. The provisions of this Section will survive Closing.
- e. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, and all of which when taken together, will constitute the same instrument.
- f. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing to the party making the waiver.
- g. The Land Bank and the Sellers acknowledge that there are no real estate brokers that are owed a commission for the purchase and sale of the Property pursuant to this Agreement.
- h. Both parties acknowledge and agree that they have been provided sufficient time and opportunity to consult with and be represented by legal counsel and/or financial

advisors of their own choosing with respect to the review of this Agreement, and that they enter into said Agreement without duress or coercion and based on their own judgment and not in reliance upon any representation or promises made by the other party other than those contained herein. This Agreement shall be interpreted to have been drafted jointly by the parties hereto.

20.21. **Entire Agreement.** This instrument constitutes the entire agreement between the Sellers and the Land Bank, and there are no other terms, conditions, promises, understandings, statements or representations, express or implied, oral or written, concerning the transaction contemplated herein.

21.22. **Successors and Assigns.** This Agreement shall be binding on and will inure to the benefit of and bind both parties, as well as their respective agents, representatives, executors, administrators, heirs, successors and assigns.

Accordingly, the Sellers and the Land Bank have executed this Agreement to be considered effective as of the date first written above.

[signature page follows]

SELLER:
JOHN F. SEDLACEK

SELLER:
MELINDA SUE SEDLACEK

BUYER:
GRAND TRAVERSE COUNTY LAND BANK AUTHORITY

By: _____
Its: _____

Exhibit A
Legal Description of the Property

1. LOT 72 & N 12.62' OF LOT 73 ASSESSOR'S MAP OF KINGSLEY
2/99 MCNAIR RETAIN USE OF EXISTING DRIVEWAY FOR INGRESS &
EGRESS TO BLDG ON LOT 69.
Tax Parcel ID No. 42-050-081-00
Commonly Referred to as: 103 W. Main St., Kingsley, Michigan 49649

2. LOT 69, ASSESSOR'S MAP OF KINGSLEY
Tax Parcel ID No. 42-050-077-00
Commonly Referred to as: 105 W. Main St., Kingsley, Michigan 49649

3. E 1/2 OF LOT 68 ASSESSOR'S MAP OF KINGSLEY
Tax Parcel ID No. 42-050-076-00
Commonly Referred to as: 111 W. Main St., Kingsley, Michigan 49649

Exhibit B
SAMPLE Warranty Deed

See attached.

DEVELOPMENT & REIMBURSEMENT AGREEMENT

This DEVELOPMENT AND REIMBURSEMENT AGREEMENT (“Agreement”) is effective as of _____, 2023 (“Effective Date”), by and between the **VILLAGE OF KINGSLEY DOWNTOWN DEVELOPMENT AUTHORITY**, a municipal authority formed under Michigan law and located at 207 South Brownson Avenue, Kingsley, Michigan 49649 (“DDA”), and the **GRAND TRAVERSE COUNTY LAND BANK AUTHORITY**, a Michigan public body corporate operating at 400 Boardman Avenue, Traverse City, Michigan 49684 (“Land Bank”).

PREMISES

A. The DDA seeks to redevelop certain real property located on a prominent street corner and along Main Street within the Village of Kingsley, Grand Traverse County, Michigan and legally described on the attached **Exhibit A** (the “Property” or “Site”);

B. The Land Bank is willing to assist the DDA in its efforts to redevelop the Property in certain respects;

C. The DDA is in the process of generating a plan for the redevelopment of the Property, and potentially adjacent property(ies), and will benefit from the assistance from and cooperation with the Land Bank as the DDA prepares the necessary planning, marketing, and redevelopment documentation and materials for the Property;

D. The parties anticipate that the redevelopment of the Property and related public infrastructure elements are not financially feasible without access to certain Brownfield or other tax incentives available under Michigan law;

E. As detailed below, the Land Bank is prepared and intends to enter into a Purchase Agreement with the owners of the Property (Mr. John F. & Mrs. Melinda Sue Sedlacek) to move forward towards the purchase of the Property contemporaneously with the execution of this Agreement, and to hold said Property for a certain period in order to assist and facilitate the DDA’s efforts to prepare the aforementioned redevelopment plans and other materials necessary for eligibility for certain tax incentives available under Michigan law;

F. The Land Bank is willing to hold the Property only for a limited period of time in order to assist with the redevelopment of the Property, and will either convey the Property pursuant to the terms of this Agreement, or, if the DDA breaches or fails to perform pursuant to this Agreement, convey the Property to a private developer or other third party consistent with this Agreement.;

G. The parties desire to establish the terms, covenants, and conditions upon which the Land Bank will purchase the Property, those upon which the redevelopment planning

for the Property will take place, and those under which the Land Bank will subsequently convey the Property to a third-party developer or to the DDA, as more fully set forth below;

H. The Land Bank was formed pursuant to Act 258 of the Public Acts of Michigan of 2003 (codified at MCL 125.751 *et seq.* (the “Act”), to facilitate the use and development of certain property and promote economic growth;

I. The Land Bank has determined that entering into this Agreement is in furtherance of the Land Bank’s purposes and will help the Land Bank accomplish its goals to facilitate the redevelopment and use of certain Property by assisting the DDA in its pursuit of approval of a Brownfield Plan to reimburse the cost of certain “Eligible Activities” as defined by Sec. 2(o) of Act 381, Public Acts of 1996, MCL 125.2652(o) on the Property as will be described in a forthcoming, proposed Brownfield Plan and Act 381 Work Plan(s) (defined below) as the same may be subsequently amended or supplemented;

Therefore, in consideration of the economic development potential of the Property if the Project is developed, as well as the mutual covenants and commitments contained in this Agreement, receipt of which is severally acknowledged, the DDA and the Land Bank hereby enter into this Agreement and covenant and agree as follows:

ARTICLE 1. PURCHASE OF PROPERTY.

Section 1.1. No later than seven (7) business days after the Effective Date of this Agreement, the Land Bank will execute a Purchase Agreement setting forth the terms and conditions of the Land Bank’s purchase of the Property from the Sellers/present owners, John F. and Melinda Sue Sedlacek (the “Purchase”). The purchase price for the Property shall be Three Hundred and Fifty Thousand (\$350,000.00) Dollars. The Purchase Agreement shall be in substantially the same form as the unexecuted proposed agreement attached hereto as **Exhibit B**.

Section 1.2. Any earnest money payments, recording costs, or state and county transfer taxes associated with the Purchase of the Property shall be paid by the Land Bank as set forth in the Purchase Agreement, but the DDA shall reimburse any such costs actually paid by the Land Bank during this transaction. The DDA shall be responsible to pay all real property taxes and assessments, if any, accruing after the Purchase, no later than the date that the Land Bank conveys the Property to the DDA at the Final Closing. The Sellers (Sedlaceks) shall pay all real property taxes and assessments accrued prior to closing of the Purchase Agreement. Prior to the Final Closing (as such term is defined below), the DDA shall continue to be responsible for the payment of all real property taxes and assessments, if any, that may become due and payable while the Land Bank holds title to the Property. Following the Final Closing, the DDA shall be responsible for the payment of all real property taxes and assessments. The Land Bank shall provide to the DDA all bills for real property taxes and assessments no later than seven (7) days after its receipt of same.

Section 1.3. The Land Bank shall prepare and file a Property Transfer Affidavit of the Purchase. The DDA shall reimburse any costs incurred by the Land Bank in pursuit of obtaining a Title Commitment (including, but not limited to, for expedited quiet title work) for the Property,

and the Land Bank shall pursue such a commitment as set forth in the attached Purchase Agreement with the Sellers. During the period that the Land Bank holds title to the Property, neither party shall attempt to transfer any interest in the Property or grant any mortgage, lien, or encumbrance with respect to the Property, without the prior written consent of the other party, which shall not be unreasonably withheld. The Land Bank agrees to consent to and join in the execution of any easements in favor of the DDA, Village, or other governmental authority(ies) which may be required for the development of the Project, as requested by the DDA.

Section 1.4. The DDA shall be responsible for paying any and all water, waste and other utility bills, if any, that may become due while the Land Bank holds title to the Property until the first to occur of the Redevelopment Closing or the Final Closing. The Land Bank shall provide to the DDA all bills for utilities no later than seven (7) days after its receipt of same.

Section 1.5. In the event the Land Bank actually closes on the purchase of the Property from the current owners (“Transfer”), this Agreement and in particular the provisions of Articles 2 and 3 herein shall govern the use and control of the Property, including the redevelopment of the Property, or subsequent conveyance by the Land Bank to the DDA, as set forth below.

Section 1.6. Due Diligence. As set forth in the proposed Purchase Agreement, prior to the Transfer, the Land Bank may conduct its own Phase I and Phase II Environmental Site Assessment and/or other due diligence activities on the Property. The Land Bank shall have access to the Property from the current owners during the one hundred and eighty (180) day due diligence or “Inspection Period,” and the DDA agrees to reasonably cooperate with the Land Bank with respect to requests for information related to the environmental status of the Property. The parties agree to cooperate in pursuit of any grant applications or pursuit of other financial assistance for any environmental assessment(s) or remediation work that may be available through programs administered by the State of Michigan, including, but not necessarily limited to, the Department of Environment, Great Lakes, and Energy.

ARTICLE 2. HOLDING THE PROPERTY AND PREPARING FOR REDEVELOPMENT.

Section 2.1. Property Redevelopment. Upon the Effective Date, the DDA shall begin to prepare for the redevelopment of the Property. The DDA’s efforts to redevelop the Property shall include engagement in the Michigan Economic Development Corporation (MEDC) Redevelopment Ready Community program to have the Village of Kingsley officially certified as “Redevelopment Ready” pursuant to said program. In addition, the DDA shall develop an economic development strategy for Kingsley’s downtown by updating its existing Tax Increment Financing Plan and/or Master Plan.

Section 2.2 Brownfield Incentives. No later than ninety (90) days following the Land Bank’s execution of the Purchase Agreement for the Property, the DDA shall initiate efforts to formulate an application to seek to obtain from either the Village of Kingsley Brownfield Development Authority (“KBRA”) or the Grand Traverse County Brownfield Redevelopment Authority (“GTCBRA”) (in the DDA’s sole discretion) the necessary brownfield incentives for the Project, including approval of the Brownfield Plan by the GTCBRA, the Village of Kingsley,

and the County Board of Commissioners, as well as GTCBRA or KBRA approval and execution of a Brownfield Reimbursement Agreement (the “Brownfield Agreement”) that will (1) approve the applicable Brownfield Plan and the Eligible Costs (as defined in the Brownfield Agreement) to be incurred pursuant to the Brownfield Plan, and (2) authorize reimbursement of such Eligible Costs from Tax Increment Revenues pursuant to Act 381 of the Public Acts of Michigan of 1996, as amended, all on terms and conditions acceptable to the DDA and the GTCBRA or KBRA (collectively, the “Brownfield Approvals”). The Land Bank shall receive the eligible tax reverted property specific tax (“Specific Tax”) for the first five (5) tax years following the Redevelopment Closing (or the Final Closing, if it occurs first), pursuant to Public Act 260 of 2003 (the “5/50 Tax Revenue”). The Land Bank acknowledges and agrees that, other than the Land Bank’s right to receive the 5/50 Tax Revenue and its right to reimbursement of real estate transaction costs expenses actually incurred in obtaining title to the Property, except as provided below the Land Bank shall not be entitled to receive any additional monetary consideration for entering into this Agreement or for performing its obligations under this Agreement. The Land Bank shall reasonably cooperate with the DDA’s efforts to obtain the Brownfield Approvals for the Property (which cooperation shall not exceed reviewing submittals and supporting same at public hearings or in writing (or both), if requested). The Land Bank shall have no financial obligations related to the DDA’s application to the GTCBRA or KBRA, preparation and facilitation of approval of the Brownfield Plan or the DDA’s obligations as developer under the Brownfield Agreement. The DDA may be required by the GTCBRA or KBRA to deposit funds with the GTCBRA or KBRA sufficient to cover the costs of the GTCBRA or KBRA’s review of its application and associated materials.

Section 2.3. Following the Transfer, the Land Bank shall authorize the DDA to enter the Property to conduct certain Pre-Development Activities and Development Activities (as both terms are defined below) to the extent such activities are time-sensitive and need to be conducted prior the sale of the Property or to the Redevelopment Closing. The DDA hereby releases and agrees to hold the Land Bank harmless from any and all liability associated with such entry, and further represents and warrants that it will comply with all applicable laws, rules, regulations, and ordinances regarding environmental and other matters. It is the DDA’s responsibility to obtain any and all necessary permits and licenses required to perform any such Pre-Development and Development Activities set forth herein and, when applicable, to arrange for subsequent inspections through the appropriate authorities. The DDA will comply with all applicable local codes, regulations, and ordinances, and will comply with all applicable state and federal codes and laws.

Section 2.4. The Land Bank may in its sole discretion elect to obtain and maintain general liability insurance coverage and/or other insurance coverage during the period between the Transfer and the earlier to occur of the Redevelopment Closing, Land Bank Independent Sale, or the Final Closing, as provided below. If, between the Transfer and the Final Closing, the DDA desires to conduct any Pre-Development Activities and/or Development Activities on the Property, the DDA shall obtain, at its sole cost and expense, prior to commencement of any such activities, a policy of commercial general liability insurance (as set forth below) including pollution liability coverage to protect the Land Bank Indemnified Parties from claims that might arise out of or as a result of the DDA’s or its contractor’s operations or activities on, at, or related to the Property. Additionally, the DDA shall require its contractors and subcontractors to purchase and maintain,

at their sole expense and as long as they are provided services to the DDA, the following insurance coverage:

A. Commercial General Liability. Occurrence basis with a Broad Form General Liability Endorsement or its equivalent which shall include (but is not limited to) coverage for bodily injury, personal injury, property damage (broad form), premises/operations, blanket contractual, and products/completed operations liability coverage. Coverage shall be endorsed to include the Land Bank as an additional named insured party for work performed by the DDA or contractor or subcontractor or for the DDA in accordance with this Agreement. The following Minimum Limits shall apply:

- \$1,00,000 per occurrence; \$2,000,000 general aggregate;
- \$2,000,000 aggregate for products and completed operations;
- \$1,000,000 pollution liability.

B. Automobile. Michigan no-fault coverage, and residual automobile liability, comprehensive form, covering owned, hired, and non-owned vehicles. Coverage shall be endorsed to include the Land Bank as additional insured for work performed by or for the DDA in accordance with this Agreement. The following Minimum Limits shall apply:

- No-fault coverages: statutory;
- \$500,000 per person / \$1,000,000 per accident: bodily injury;
- \$500,000 per occurrence: property damage; OR
- A combined single limit of \$1,000,000 per occurrence.

Insurance coverage shall cover all claims against the Land Bank, its Board and respective officials and employees, arising out of the work performed by the DDA or any of its contractors or subcontractors under this Agreement. For all work subcontracted, it shall be the responsibility of the DDA to maintain (or to arrange for the subcontractor(s) to maintain) Independent Contractor's Protective Liability Insurance with limits equal to those specified above for Commercial General Liability Insurance. In addition, the DDA shall provide proof of Workers' Compensation Insurance for all subcontractors in compliance with the required statutory limits of the state of Michigan.

Said policies of insurance shall be with companies listed to do business in the State of Michigan and in a form satisfactory to the Land Bank. Cancellation, material restriction, non-renewal or lapse of any of the required policies shall be grounds for immediate termination of this Agreement by the Land Bank, and in the event the Agreement is so terminated by the Land Bank, the Land Bank shall immediately transfer and convey fee title to the Property back to the DDA. Any reduction or exhaustion in the limits of required insurance coverage shall not be deemed to limit the indemnification afforded in accordance with this Agreement or any amendments thereto. DDA waives all rights against the Land Bank for the recovery of damages that are paid by insurance

policies the DDA is required to maintain pursuant to this Agreement. The DDA's failure to obtain and maintain the required insurance will not limit this waiver. All insurance coverage provided relative to this Agreement is primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the Land Bank. If the DDA's policy contains coverage limits higher than the required minimums, the Land Bank is entitled to coverage to the extent of the higher limits. The minimum limits of coverage specified above are not intended, and may not be construed to limit any liability or indemnity of the DDA to any indemnified party or other person.

Any and all required insurance policies shall be maintained until the earlier to occur of the Redevelopment Closing, the Land Bank Independent Sale, or the Final Closing as set forth in this Agreement. The DDA shall be responsible for providing evidence of the renewal of any insurance policy.

Section 2.5. During the period the Land Bank holds title to the Property, if any construction liens are filed against the Property as a result of the DDA's Pre-Development Activities or Development Activities, the DDA, at its cost, shall cause such construction liens to be discharged or bonded over in accordance with Michigan law or in such other manner that is reasonably acceptable to the Land Bank.

Section 2.6. For purposes of this Agreement, "Pre-Development Activities" shall mean the performance of site inspections, studies, community input, reports, plans and surveys are necessary to obtain the governmental approvals, MEDC support or assistance and other permits necessary to redevelop the Property. The Land Bank agrees to cooperate with the DDA's efforts to obtain such governmental approvals, support or assistance and permits, including joining in applications for such approvals and permits, at no cost or liability to the Land Bank. If the Land Bank is required to join in any approval application, any permit issued pursuant to such application shall be, wherever reasonably practical, issued in the DDA's name and the Land Bank shall not be shown as a permittee, nor shall the Land Bank have any obligations under any permit issued for the development of the Project. For purposes of this Agreement, "Development Activities" shall mean and include the following: (i) land clearing and grading; (ii) installation of soil erosion measures; (iii) installation of off-site and on-site water, sanitary sewer and storm drainage improvements; (iv) installation of paving improvements; (v) installation of entranceway and landscaping improvements; (vi) installation of the Public Infrastructure Improvements; and (vii) all related development activities required to obtain building permits for the construction of the Project. Nothing herein shall preclude the Land Bank or DDA from pursuing incentives and the parties shall reasonably cooperate in pursuit of such incentives regardless of the name required in the application.

Section 2.7. During the term of this Agreement, the Land Bank shall have no obligation to secure or maintain the Property. It is understood that the DDA will provide any and all required maintenance, insurance, and security during the term of this Agreement. Prior to the Final Closing, if the DDA fails to maintain or insure the Property, and such failure is not cured within thirty (30) days from their receipt of notice of default from the Land Bank, then the Land Bank may, but shall not be obligated to, perform the required maintenance or obtain the required insurance and to the extent the Land Bank incurs any costs to maintain the Property in compliance with all governmental laws, rules, regulations, or ordinances, the DDA shall pay the actual costs incurred

by the Land Bank, plus a twenty (20%) percent administrative fee, payable on the day the Final Closing occurs.

Section 2.8. Unless otherwise contemplated by this Agreement, it is the express intent of the parties that the Land Bank shall not incur any expenses or liabilities by entering into this Agreement, other than the Land Bank's overhead and personnel costs and the fees of any outside professionals directly engaged by the Land Bank. The Land Bank shall seek the concurrence and consent of the DDA with respect to any specific cost or expenses in excess of \$5,000.00.

Section 2.9. During the period that the Land Bank holds title to the Property, the Land Bank shall not transfer, convey, or otherwise encumber any interest in the Property or enter into any agreement or incur any obligations that would be binding upon the Property or the DDA, without the consent of the DDA. Notwithstanding the foregoing, the Land Bank shall grant easements requested by the DDA that are required for the development of the Project.

ARTICLE 3. REDEVELOPMENT CLOSING, INDEPENDENT SALE, AND DDA PURCHASE.

Section 3.1. Sale of the Property. The parties acknowledge that Land Bank's role in holding the Property is intended to be for a limited duration and therefore, once the Land Bank takes ownership and possession of the Property, the subsequent disposition of the Property by the Land Bank will take one of the following potential courses going forward:

A. Scenario One: Planned Redevelopment.

1. Following the execution of this Agreement the parties shall initiate the actions and obligations set forth in Paragraphs 2.1 – 2.3 above. It is anticipated that such efforts will culminate in the parties entertaining competitive bids for potential redevelopment proposals for the Property, with the Land Bank selling the Property to a developer that submits the most qualified bid as selected and approved by the Land Bank and the DDA. The Land Bank shall cooperate with the DDA in development of bid specs, pricing, and terms of such a sale, and upon receipt of sufficient, qualified bid(s) the parties will proceed towards the Redevelopment Closing as provided herein.
2. In the event the parties are unsuccessful in the short term in attracting sufficient bid(s) proposing to redevelop the Property, the Land Bank is committed to hold the Property for a total of seven (7) years, as set forth in Paragraph 3.1 below, during which time the parties may continue to market the Property and will remain open to proposals for (a) the redevelopment of the Property (and a corresponding sale and conveyance to a qualified developer), and/or for (b) the sale and conveyance of the Property without a corresponding redevelopment proposal approved by the DDA and the Land Bank as set forth below. If a redevelopment proposal is received, and if the parties agree said

proposal meets the needs of the DDA and the Land Bank, then the parties will proceed towards the Redevelopment Closing as provided herein.

B. Scenario Two: Convey without Development.

1. If the Land Bank still owns the Property as of the beginning of the sixth (6th) year following the execution of this Agreement (ie. the sixth anniversary of said execution in 2029), the Land Bank may independently market the Property and/or attempt to and actually sell and convey the Property to a third party for a price and on terms and conditions satisfactory to the Land Bank in its sole discretion (the “Land Bank Independent Sale”).
2. If the Land Bank is unsuccessful in finding a buyer for the Property during the period of time the Land Bank holds the Property, the DDA shall purchase the Property from the Land Bank at the conclusion of the seven (7) year holding period in 2030 in accordance with Section 3.4 below (the “DDA Purchase”).

Section 3.2. Redevelopment Closing; Conveyance to Developer; Closing and Possession.

- A. The Land Bank and the DDA may entertain bid proposals for the redevelopment of the Property for the duration of this Agreement, and may enter into a purchase agreement (and/or amendments thereto) with a qualified developer selected through a competitive bid process (that the parties will establish following the execution of this Agreement).
- B. As set forth in Sections 2.1 – 2.3 above, the DDA shall pursue approval of a Brownfield Plan encompassing the Property and a Brownfield Agreement with a potential developer, and shall provide reasonable evidence to the Land Bank that the DDA is prepared to move forward towards a sale and conveyance of the Property to a qualified developer who has submitted a proposal for the redevelopment of the Property in conjunction with an approved Brownfield Plan and Agreement. The sale and conveyance of the Property by the Land Bank to such a developer shall be referred to as the “Redevelopment Closing.”
- C. The DDA shall be responsible for providing regular written updates to the Land Bank regarding the status of its plans for the redevelopment of the Property at least once per quarter following the execution of the Purchase Agreement between the Land Bank and the previous owners of the Property, John F. and Melinda S. Sedlacek. The DDA shall include in its regular written updates its efforts to implement and complete its redevelopment actions and obligations described above in Sections 2.1-2.3 of this Agreement.

- D. The DDA shall bear all costs and fees associated with the conveyance of the Property from the Land Bank to a selected, qualified developer with an approved redevelopment proposal for the Property.
- E. The terms and conditions of the sale of the Property to a qualified developer shall be agreed upon by and between the Land Bank and the DDA as may be set forth in a purchase agreement executed with said developer at the appropriate time. The date and location of this Redevelopment Closing shall be subject to the availability of the parties and the selected developer.

Section 3.3. Land Bank Independent Sale. In the event the Land Bank continues to own and hold the Property as of the beginning of the sixth (6th) year following the execution of this Agreement (ie. the sixth anniversary of said execution in 2029), the Land Bank may independently pursue a sale of the Property on its own terms. After providing written notice of its intent to pursue an independent sale, the Land Bank may market the Property independent of the DDA, and/or may attempt to and actually sell and convey the Property to a third party for a price and on terms and conditions satisfactory to the Land Bank in its sole discretion (the “Land Bank Independent Sale”). The Land Bank Independent Sale shall also occur if the DDA does not complete its redevelopment actions and obligations described above in Sections 2.1-2.3 of this Agreement within 36 months of the Effective Date.

Section 3.4. DDA Purchase & Final Closing. In the event the Land Bank continues to own and hold the Property at the conclusion of the seven (7) year holding period, the DDA shall purchase and the Land Bank shall convey to the DDA all of the Land Bank’s right, title, and interest in and to the Property no later than two (2) months following the seventh (7th) anniversary of the effective date of this Agreement at a location and time agreed upon by both the Land Bank and the DDA (the “Final Closing”). At the Final Closing, the parties shall take the following actions:

A. Subject to Section 3.4(B)-(H), the Land Bank shall execute and deliver to the DDA a Quit Claim Deed prepared by the Land Bank (the form and content of which shall be approved by the Land Bank and the DDA) conveying to the DDA marketable title to the Property, subject only to: (i) matters of record that existed as of the date of the Transfer of the Property to the Land Bank; (ii) any additional encumbrances that were granted by or caused by the acts or omissions of persons other than the Land Bank; (iii) easements granted by the Land Bank at the DDA’s request; and (iv) the lien of taxes and assessments not yet due and payable. The DDA shall file a Property Transfer Affidavit pertaining to the Final Closing conveyance.

B. The DDA may, at its sole cost, obtain a policy of title insurance for the Property. The Land Bank agrees to cooperate with the DDA obtaining such title insurance, provided that the Land Bank shall not be required to incur any cost or liability.

C. The Land Bank shall deliver possession of the Property to the DDA.

D. The parties shall take such further actions and deliver such additional documents as may be reasonably requested by the Land Bank or the title company, which are reasonably necessary to consummate the conveyance of the Property to the DDA. The Land Bank shall execute and deliver such affidavits, with representations only and without warranty or indemnity, which a title company (if employed) may reasonably request to eliminate the so-called “standard exceptions” from the policy of title insurance. The DDA shall be responsible for the preparation of all closing documents other than the Quit Claim Deed.

E. All closing costs, recording costs, title insurance premiums, taxes and special assessments, if any, will be paid by the DDA. Each party shall be responsible for its own legal fees.

F. The DDA shall be responsible for paying all real property taxes and assessments, if any, that are due and payable at the time of the Final Closing, and also all real property taxes and assessments, if any, that may become due and payable thereafter. The DDA shall be responsible for paying all water and other utility bills, if any, that are due at the time of the Final Closing and all water and other utility bills, if any, that become due thereafter.

G. Upon request by and in consultation with the DDA, the Land Bank may take reasonably necessary action to remedy any title defect to the Property, which may include an action to quiet title. The Land Bank may require the DDA to reimburse the Land Bank for the cost of such activities payable on the day the Final Closing occurs.

H. At the Final Closing, the DDA will accept the Property “AS IS, WHERE IS, WITH ALL FAULTS” that is, in its then-present condition. The execution and delivery of the Quit Claim Deed by the Land Bank will be deemed to be in full performance and discharge of all the terms and conditions of this Agreement to be observed or performed by the Land Bank, except those that are stated expressly to survive the Final Closing and/or termination of this Agreement.

ARTICLE 4. POST-FINAL CLOSING OBLIGATIONS.

Section 4.1. The DDA covenants and agrees that, following the Final Closing, the DDA, at its cost, will use its good faith efforts to develop the Property in accordance with this Agreement and the Brownfield Plan, including, without limitation, using its good faith efforts to commence and complete the Development Activities within the time periods required under this Agreement and Brownfield Plan.

Section 4.2. Following the Final Closing, the DDA agrees to prosecute, or cause to be prosecuted, the planned improvements upon the Property in a good and workmanlike manner and in accordance with the terms of this Agreement and the Brownfield Plan.

ARTICLE 5. DEFAULT; RETAINED BROWNFIELD AND 5/50 TAX REVENUE RIGHTS.

Section 5.1. Prior to the Final Closing, in the event of default by the DDA, the Land Bank will provide written notice of default to the DDA. If the DDA fails to cure such default within thirty (30) days from the DDA's receipt of said notice, the Land Bank shall be entitled, at its election and as its sole remedy, to terminate this Agreement by written notice delivered to DDA, in which event the Land Bank shall re-convey the Property to the DDA in the manner provided in Section 3.4 above and, aside from the payment coverage provisions below, the parties shall have no further rights and obligations under this Agreement, with the exception of those obligations that expressly survive the termination of this Agreement.

Section 5.2. In the event of default by the Land Bank, the DDA shall provide written notice of default to the Land Bank. If the Land Bank fails to cure such default within thirty (30) days of the Land Bank's receipt of the DDA's written notice, the DDA shall be entitled at its election and as its sole remedy to terminate this Agreement by written notice delivered to the Land Bank, in which event the Land Bank shall re-convey the Property to the DDA in the manner provided in Section 3.4(A) and the parties shall have no further rights and obligations under this Agreement, with the exception of those obligations that expressly survive the termination of this Agreement; provided, however, if the Land Bank fails to reconvey the Property as required under this Agreement, the DDA may specifically enforce said reconveyance obligation.

Section 5.3. If, subsequent to the Transfer of the Property to the Land Bank, this Agreement is thereafter terminated for any reason, other than default of the Land Bank, and the Property is reconveyed by the Land Bank to the DDA, the Land Bank shall retain its rights to the 5/50 Tax Revenue. This provision shall survive the termination of this Agreement.

Section 5.4. If, subsequent to the Transfer of the Property to the Land Bank, this Agreement is thereafter terminated for any reason, other than default of the Land Bank, the DDA shall be responsible for and obligated to pay to the Land Bank the full Purchase Price of the Property. This payment coverage obligation shall survive the termination of this Agreement.

ARTICLE 6. ZONING, SAFETY, AND REGULATORY COMPLIANCE. The DDA acknowledges that it will comply with all applicable zoning ordinances and local ordinances and regulations, subject to the terms of this Agreement. The DDA acknowledges that the Land Bank is under no obligation to take any action to bring the Property into compliance with any applicable statutes, or local ordinances, rules, or regulations, and that the DDA has had the opportunity to make a personal inspection of the Property. The DDA further acknowledges that it is the DDA's responsibility to obtain all necessary approvals and permits for the Project from all State and local regulatory agencies, which have and will continue to have, or will obtain, jurisdiction.

ARTICLE 7. TERMINATION. Notwithstanding anything to the contrary contained herein, if any of the following occur prior to the seventh anniversary of the effective date of this Agreement, the DDA may terminate this Agreement by providing written notice of termination to the Land Bank:

(i) the DDA is unable to obtain the Brownfield Approvals or obtain the other governmental approvals and permits necessary to develop the Project, on terms and conditions acceptable to the DDA; or (ii) the DDA is unable to obtain the equity and financing necessary to develop the Project, on terms and conditions acceptable to the DDA; or (iii) if the DDA reasonably determines that it is not economically feasible to proceed or continue with the Project. To the extent termination is based on either (ii) or (iii) above, the DDA shall provide the Land Bank with a detailed written explanation of the circumstances leading to the requirement to terminate. If the DDA provides the Land Bank with written notice of termination prior to the seventh anniversary of the effective date of this Agreement, the Land Bank shall, within forty-five (45) days from the Land Bank's receipt of the DDA's written termination notice, reconvey the Property to the DDA in the manner provided in Section 3.4(A), and the parties shall thereafter have no further rights or obligations under this Agreement, with the exception of Section 5.4 above, as well as all obligations set forth herein that expressly survive the termination of this Agreement.

ARTICLE 8. REAL ESTATE BROKER. The Land Bank and DDA acknowledge that there is no broker entitled to any fee with respect to this transaction.

ARTICLE 9. NOTICES. All notices, certificates or communications required by this Agreement to be given shall be in writing and shall be sufficiently given and shall be deemed delivered when personally served, or when received if mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to the respective parties as follows:

If to the Land Bank:

Heidi Scheppe, Grand Traverse County Treasurer
GRAND TRAVERSE COUNTY LAND BANK AUTHORITY
400 Boardman Avenue
Traverse City, MI 49684

With copies to:

OLSON, BZDOK & HOWARD, P.C.
Attorneys for the Grand Traverse County Land Bank Authority
420 E. Front Street
Traverse City, MI 49686

If to the DDA:

VILLAGE OF KINGSLEY DOWNTOWN DEVELOPMENT AUTHORITY
Attn: DDA Chair
Village of Kingsley DDA
207 S Brownson Ave
Kingsley, MI 49649
(231) 645-0316

dda@villageofkingsley.com

With copies to:

or to such other address as such party may specify by appropriate notice.

ARTICLE 10. DDA’S REPRESENTATIONS AND WARRANTIES. The DDA represents and warrants the following to the Land Bank:

Section 10.1. The DDA has the full right, power, and authority to execute this Agreement and to carry out the DDA’s obligations hereunder, and all requisite action necessary to authorize the DDA to enter into this Agreement and to carry out its obligations hereunder have been, or will have been taken by the earlier to occur of either the Redevelopment Closing or Final Closing. The person signing this Agreement on behalf of the DDA is authorized to do so.

Section 10.2. There is no action, suit, arbitration, unsatisfied order or judgment, government investigation, or proceeding against the DDA which, if adversely determined, could interfere with the consummation of the transaction contemplated by this Agreement.

Section 10.3. The foregoing representations and warranties of the DDA shall be continuing and shall be true and correct as of the Effective Date and as of the earlier to occur of the Redevelopment Closing or the Final Closing, and all such representations shall survive the Redevelopment Closing and/or the Final Closing, whichever occurs first.

ARTICLE 11. PUBLIC POLICY PROVISIONS.

Section 11.1. Nondiscrimination. Pursuant to MCL §37.2209 and MCL §37.1209, the DDA will comply with the Elliott-Larsen Civil Rights Act, being Public Act 453 of 1976, codified at MCL §37.2101 *et seq.*; the Persons with Disabilities Civil Rights Act, being Public Act 220 of 1976, codified at MCL §37.1101 *et seq.*; and all other federal, state, and local fair employment practices and equal opportunity laws and covenants that it will not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to their hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of their race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual’s ability to perform the duties of a particular job or position. In addition, as provided in Executive Directive 2019-09, the DDA shall not discriminate against any employee or applicant for employment with respect to their hire, terms, tenure, conditions, or privileges of employment, or any matter directly or indirectly related to employment because of religion, race, color, national origin, age, sex, height, weight, marital status, partisan considerations, or a disability or genetic information that is unrelated to the individual’s ability to perform the duties of a particular job or position. The DDA agrees to include in every subcontract entered into for the performance of this

Agreement this covenant not to discriminate in employment. A breach of this covenant will constitute a material breach of a contract arising out of this Agreement.

Section 11.2. Unfair Labor Practices. Pursuant to MCL §423.324, the State may void a contract if the DDA or any of its contractors, subcontractors, manufacturers, or suppliers appear in the register compiled pursuant to Public Act 278 of 1980 (MCL §423.321 *et seq.*). A breach of this covenant will constitute a material breach of a contract arising out of this Agreement.

ARTICLE 12. MISCELLANEOUS PROVISIONS.

Section 12.1. It is expressly understood and agreed that the Land Bank and the DDA may not assign their interest(s) under this Agreement or any portion thereof without the prior written consent of the other party, which consent shall not be unreasonably withheld.

Section 12.2. Prior to the earlier to occur of the Redevelopment Closing or the Final Closing, any news releases or other media releases to be issued by the DDA to the public regarding information relating to the transfer of the Property or any matters set forth in this Agreement will require the Land Bank's prior approval, which shall not be unreasonably withheld or delayed. However, the foregoing shall not preclude the DDA from responding to or granting requests for interviews by local news or media outlets.

Section 12.3. Each provision of this Agreement is severable from all other provisions of the Agreement and, if one or more of the provisions of this Agreement is declared by a court of competent jurisdiction to be invalid and/or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.

Section 12.4. No amendment or modification to or of this Agreement shall be binding upon any party hereto until such amendment or modification is reduced to writing and executed by all parties hereto. No waiver of any term of this Agreement shall be binding upon any party until such waiver is reduced to writing, executed by the party to be charged with such waiver, and delivered to the other parties hereto.

Section 12.5. Each party will, without further consideration, execute and deliver such other documents and take such other action, whether prior or subsequent to a closing, as may be reasonably requested by the other party to consummate more effectively this Agreement. Without limiting the generality of the foregoing, the DDA will, if requested by the Land Bank, execute acknowledgements of receipt with respect to any materials delivered by the Land Bank to the DDA with respect to the Property. The provisions of this section shall survive closing.

Section 12.6. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which when taken together, shall constitute the same instrument. Electronic copies of signatures shall have the same force and effect as original signatures, except with respect to deeds or other instruments that require original signatures for recordation purposes.

Section 12.7. The captions and headings in this Agreement are for information and organizational purposes only, and in no way limit, define, or describe the scope or intent of any provision of this Agreement.

Section 12.8. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision(s), whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing to the party making the waiver.

ARTICLE 13. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the Land Bank and the DDA with respect to the subject matter hereof, and there are no other terms, conditions, representations, warranties, promises, statements, agreements, or understandings, oral or written, express or implied concerning the transaction contemplated hereunder. This Agreement will inure to the benefit of and bind the parties and their respective agents, representatives, successors and assigns.

ARTICLE 14. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with, the laws of the State of Michigan in all respects, whether as to validity, construction, performance and otherwise. The parties acknowledge and agree that any disputes arising under this Agreement shall be resolved by a court of competent jurisdiction sitting in Grand Traverse County, Michigan.

IN WITNESS WHEREOF, the Land Bank and the DDA have caused this Agreement to be duly executed and delivered as of the date first written above.

[Signature page follows]

VILLAGE OF KINGSLEY
DOWNTOWN DEVELOPMENT AUTHORITY

By: _____
Its: _____

LAND BANK:
GRAND TRAVERSE COUNTY
LAND BANK AUTHORITY

By: _____
Its: Chairperson

Approved as to form:

By: Ross A. Hammersley (P70105)
Its: Attorney

Exhibit A
Legal Description of the Property

1. LOT 72 & N 12.62' OF LOT 73 ASSESSOR'S MAP OF KINGSLEY
2/99 MCNAIR RETAIN USE OF EXISTING DRIVEWAY FOR INGRESS &
EGRESS TO BLDG ON LOT 69.

Tax Parcel ID No. 42-050-081-00

Commonly Referred to as: 103 W. Main St., Kingsley, Michigan 49649

2. LOT 69, ASSESSOR'S MAP OF KINGSLEY

Tax Parcel ID No. 42-050-077-00

Commonly Referred to as: 105 W. Main St., Kingsley, Michigan 49649

3. E 1/2 OF LOT 68 ASSESSOR'S MAP OF KINGSLEY

Tax Parcel ID No. 42-050-076-00

Commonly Referred to as: 111 W. Main St., Kingsley, Michigan 49649

Exhibit B
Proposed Purchase Agreement Between Land Bank and Owners of the Property

See Attached