

## PURCHASE AGREEMENT

The City of Rochester Hills ("Purchaser"), a Michigan municipal corporation, of 1000 Rochester Hills Drive, Rochester Hills, Michigan 48309, offers and agrees to purchase the following real property (the "Property"), upon the following terms and conditions:

1. Property Description. The real property consisting of the land and buildings located at 1380 Ruby Avenue in the City of Rochester Hills, Oakland County, Michigan, Parcel I.D. No. 70-15-33-401-005, consisting of approximately 9.48 acres, more particularly described as:

T3N, R11E, SEC 33 PART OF SE ¼ BEG AT PT DIST S 87-22-00 E 629.20 FT FROM CEN OF SEC, TH S 87-22-00 E 629.97 FT, TH S 02-06-00 W 683.58 FT, TH N 87-24-00 W 597.42 FT, TH N 00-07-30 W 684.70 FT TO BEG, EXC BEG AT PT DIST S 87-22-00 E 1259.17 FT & S 02-36-00 W 675.39 FT FROM CEN OF SEC, TH S 02-36-00 W 8.19 FT, TH N 87-24-00 W 603.42 FT, TH N 00-07-30 W 12.84 FT, TH S 87-10-08 E 19.83 FT, TH S 86-57-11 E 584.15 FT TO BEG 9.48 A9-10-96 CORR

together with all fixtures, improvements and appurtenances, and subject to existing building and use restrictions, rights-of-way and easements of record, and zoning ordinances.

2. Purchase Price and Consummation. The purchase price for the Property is Three Hundred Eighty-Five Thousand Dollars (\$385,000.00), payable at closing by cashier's or certified check or by wire transfer. The purchase shall be consummated by Seller's delivery of a standard warranty deed conveying marketable title, together with any and all land division rights, in a form satisfactory to Purchaser.

3. Earnest Money Deposit. Within five (5) business days after Seller's acceptance of Purchaser's offer, Purchaser shall deliver to Philip R. Seaver Title Company an earnest money deposit in the amount of One Thousand Dollars (\$1,000.00) to be held in escrow and applied toward the Purchase Price at closing (or to otherwise be applied or refunded in accordance with this Agreement).

4. Evidence of Title. As evidence of title, Seller shall furnish to Purchaser, as soon as possible, a commitment for title insurance issued by Philip R. Seaver Title Company acceptable to Purchaser and certified to a date later than the date of Purchaser's offer, wherein the title insurance company agrees to issue a standard ALTA owner's title insurance policy, without standard exceptions, in an amount not less than the purchase price, insuring title to be in good and marketable condition free and clear of any liens, encumbrances, encroachments, leases or rights of parties in possession of any kind or nature to the date of closing, subject only to existing building and use restrictions, rights-of-way and easements of record, and zoning ordinances. Upon closing, Seller shall order a title insurance policy consistent with the commitment, which shall be updated to the date of closing. Purchaser shall be responsible for the cost of the title insurance.

5. Survey. Seller shall, as soon as possible, provide Purchaser with any survey Seller may have for the Property.

6. Defective Title. If, based on Purchaser's review of the title insurance commitment and survey, Purchaser is dissatisfied with the title or survey, Seller shall have thirty (30) days from the date Purchaser notifies Seller, in writing, of the particular defects claimed, either to: (1) remedy the defects, or (2) obtain a commitment for title insurance insuring title, in a manner satisfactory to Purchaser, against the defects claimed. If Seller remedies the defects or, alternatively, obtains the necessary title insurance commitment within the time specified, Purchaser shall complete the sale in accordance with the provisions stated herein. If Seller does not remedy the defects within the time specified, Purchaser may waive the defects and close subject to them, although Purchaser may set-off against the purchase price the balance due on any mortgage, land contract, lien or other encumbrance on the Property. Alternatively, if Purchaser chooses to not so waive, or if, in Purchaser's sole discretion, the survey indicates the Property is not suitable for Purchaser's intended use or improvements, Seller shall, upon receiving written notification from Purchaser, refund the entire earnest money deposit to Purchaser forthwith, and this agreement shall be considered cancelled.

7. Condition of the Property. Seller shall not, through act or omission, cause or permit waste to occur nor jeopardize or in any way lessen Seller's interest in the Property through the date of closing.

8. Seller's Representation Regarding Environmental Condition of Property. Seller represents and warrants to Purchaser that to the best of Seller's knowledge, after due diligence and appropriate inquiry, and except as revealed in the environmental study obtained by Purchaser: (1) No toxic or hazardous substances have been generated, treated, stored, deposited or disposed of on the Property except in compliance with all applicable federal, state and local laws or regulations, and (2) Neither Seller nor prior owners, occupants or users have caused or permitted the release of any toxic or hazardous substances on or from the Property. Seller's representations and warranty shall survive the closing.

Seller shall, within five (5) business days of executing this Agreement, deliver to Purchaser copies of all prior title reports, boundary surveys and environmental reports in its possession relating to the Property.

9. Purchaser's Rights Upon Discovery of Environmental Hazard. In the event Purchaser discovers or determines the existence of any environmental hazard, including, without limitation, a spill, discharge or contamination, that existed on or prior to the closing date and was not fully revealed in Purchaser's environmental study, or any act or omission occurring prior to the closing date, the result of which may require remedial action pursuant to law or provide a basis for third parties, including governmental agencies, to assert claims, Purchaser shall promptly notify Seller, and Seller shall, at Seller's sole cost, proceed with due diligence to undertake the appropriate action and response thereto. In the event Seller fails to proceed with due diligence, Purchaser may, at Purchaser's option, proceed to take the appropriate action and shall have the right to full indemnification from Seller for all costs, expenses and liabilities incurred by Purchaser in connection therewith. Seller's obligations under this section shall survive the closing.

10. Taxes and Assessments. Seller shall pay all taxes, special assessments and utility and capital charges which have become a lien on the Property. Current taxes, if any, shall be prorated and adjusted to the date of closing on a “due date” basis.

11. Transfer Tax and Recording Fees. Seller shall be responsible for the transfer tax due on the Seller’s conveyance of the Property to Purchaser, as well as any fees for the recording of documents other than the warranty deed to Purchaser, the fee for which shall be paid by Purchaser.

12. Preparation of Closing Documents. Purchaser shall be responsible for preparing all closing documents, including the deed, closing statement, transferor’s certificate of non-foreign status as required under the Internal Revenue Code, as amended, and any other documents necessary for closing.

13. Closing Time and Location. Unless this agreement is otherwise terminated due to default or Purchaser’s dissatisfaction with the title or survey, closing shall take place within fourteen (14) days after: (1) approval of the Purchase Agreement by the Rochester Hills City Council and (2) all the conditions precedent to closing, as set forth herein, have been met to Purchaser’s satisfaction. In the event the Rochester Hills City Council does not approve this Agreement on or before January 20, 2017, Seller may elect to cancel this Agreement. Closing shall take place at a location mutually acceptable to Seller and Purchaser.

14. Broker’s Commission. Neither party has engaged the services of a real estate broker or agent.

15. Default. In the event of default by Purchaser, Seller may, as Seller’s sole remedy, declare forfeiture and retain the earnest money deposit as liquidated damages in full termination of this agreement. In the event of default by Seller, Purchaser may, at Purchaser’s option, elect to specifically enforce the terms hereof, or demand, and be entitled to, an immediate refund of Purchaser’s entire earnest money deposit in full termination of this Agreement.

16. Irrevocability of Purchase Offer. Purchaser's offer to purchase the Property shall be irrevocable for seven (7) calendar days. If not accepted by Seller within that time, Purchaser may revoke the offer.

17. Assignability. Purchaser may assign this agreement to another entity of its choosing including, but not limited to, another public agency.

18. Entire Agreement. This instrument constitutes the entire agreement between Purchaser and Seller and shall inure to the benefit of and bind the parties hereto and their respective heirs, legal representatives, successors and assigns.

PURCHASER:

CITY OF ROCHESTER HILLS

Date: 12-19-2016

By:   
\_\_\_\_\_  
Mayor Bryan K. Barnett, Mayor

**ACCEPTANCE OF OFFER**

The foregoing offer is accepted in accordance with the terms stated, and the Seller hereby acknowledges receipt of a copy of this Agreement

SELLER:

ESTATE OF DAVID W. AND MARION A. HACKETT

Date: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_