

# Memorandum



Date: June 18, 2026  
To: Buchanan City Commission  
From: Tony McGhee  
**Subject: Sale of City Owned Lots for Residential Development**

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## Background

The purpose of this memorandum is to recommend that the City Commission approve the sale of four (4) City-owned residential lots to Astrong Construction. This proposed sale is part of the larger 12-lot package the City offered to developers for the purpose of encouraging new residential construction in Buchanan. The City received developer interest in the lots and has worked through the process of assigning the subject properties to developers capable of moving the lots into productive residential use.

Under the proposed agreement, Astrong Construction would purchase four of the twelve lots. The remaining eight lots are being sold to Allen Edwin. The goal with both transactions is to move these City-owned lots back into productive use and support the construction of new single-family housing in the community. The four lots and sales prices included in the proposed sale to Astrong Construction are as follows:

- 411 Elizabeth Street: \$7,100
- 416 Bluff Street \$6,300
- 418 Bluff Street \$6,300
- 1104 Victory Street \$7,500

The agreement also allows for the lots to be purchased in phases, with construction beginning on two homes in 2026 and the purchase and construction start on two additional lots by June 1, 2027.

The agreement was created by Butzel, the City's attorney. Astrong Construction will also have a right of first refusal on the remaining eight lots if the other developer selected for those lots does not fulfill its obligation to the City. Those eight lots are:

- 405 Elizabeth Street

- 420 Elizabeth Street
- 314 Arctic Street
- 503 Arctic Street
- 418 Fulton Street
- 724 W. Roe Street
- 907 Victory Street
- 1106 Victory Street

The development of infill housing is important to the future of Buchanan. Like many communities, Buchanan has existing lots within established neighborhoods that already have access to nearby streets, utilities, schools, parks, and other public services. When those lots remain vacant, they do not contribute to the community in the same way they could if they were developed with quality housing.

Infill housing allows the City to grow in a more efficient and responsible way. Rather than relying only on outward expansion or new subdivisions at the edge of the community, infill development makes better use of land already located within the City. It helps strengthen existing neighborhoods, adds new housing options, supports the local tax base, and places new residents closer to downtown, parks, schools, and other community assets.

Adding new homes on these lots will also help address the need for additional housing in Buchanan. New residential construction supports population stability and growth, creates opportunities for new families and residents to move into the community, and helps maintain the long-term strength of neighborhoods. It also has the potential to support local businesses as new residents shop, dine, and participate in community life.

From a financial standpoint, selling these lots moves currently underutilized City-owned property back onto the tax roll. Once developed, the lots will generate additional taxable value and long-term property tax revenue for the City and other taxing jurisdictions. While the immediate sale price is important, the larger benefit is the long-term value created by placing new homes on vacant lots and returning those properties to productive use. The sale also supports the City Commission's broader goals related to neighborhood reinvestment, housing development, and responsible use of City-owned property. Staff believes this agreement provides a practical path forward to get these lots developed by an experienced builder and to continue moving Buchanan toward additional housing investment.

Recommendation

Administration recommends that the City Commission approve the purchase agreement for the sale of the eight subject lots to Astrong Construction and authorize the City Manager and City Attorney to complete any necessary documents to finalize the transaction.

**Attachment A:      Sales Agreement**

# Attachment A



**PURCHASE AND SALE AGREEMENT  
(Residential Real Estate-Vacant Land)**

This Purchase and Sale Agreement (“*Agreement*”) is entered into and effective this \_\_\_\_ day of \_\_\_\_\_, 2026 (“*Effective Date*”) by and between the City of Buchanan, a Michigan municipality (“*Seller*” or “*City*”) and Astrong Construction, LLC, a Michigan limited liability company (“*Purchaser*”). Seller and Purchaser are collectively referred to as the “*Parties*” or individually as a “*Party*.”

WITNESSETH, in consideration of an earnest money deposit in the amount of \_\_\_\_\_ (\$ \_\_\_\_\_.00) Dollars (the “*Earnest Money Deposit*”) paid by Purchaser to Seller simultaneously with Purchaser’s execution of this Agreement, receipt of which is hereby acknowledged, Seller agrees to sell to Purchaser, and Purchaser agrees to buy from Seller, in accordance with the terms and conditions contained in this Agreement, those certain parcels of vacant real property located in the City of Buchanan, County of Berrien, and State of Michigan more particularly described in Exhibit A attached hereto and made a part of this Agreement (individually a “*Lot*” and collectively, the “*Lots*”), together with any easements, rights of way, hereditaments, privileges and appurtenances appertaining to a Lot as well as any land lying in the bed of any street, road or avenue, open or proposed, at the foot of or adjoining a Lot to the centerline thereof, which is owned by Seller.

**1.0. SELLER AGREES:**

1.1. To allow Purchaser an Investigation Period that shall expire ninety (90) days immediately following the Effective Date and upon Purchaser’s written request submitted to the City before expiration of the forgoing ninety (90) days Investigation period, Purchase will be granted an additional ninety (90) days (the “*Investigation Period*”). Purchaser shall use the Investigation Period to conduct its due diligence to satisfy itself concerning the condition of the Lots and otherwise determine the suitability of the Lots for Purchaser’s proposed use. Purchaser intends to seek approval of a PILOT and/or TIF/Brownfield Plan which is intended to be obtained within this time period. During the Investigation Period, Purchaser shall have the right to have the Lots inspected, surveyed, evaluated, analyzed, tested, appraised and/or assessed for any matter whatsoever, including but not limited to, market value; soil conditions; location of flood plains; presence of wetlands and necessary mitigation, if any; storm water drainage systems; presence of environmental contamination; health and safety conditions; access to utilities; access to public roads; zoning; compliance with laws, codes and ordinances and any other matter desired by Purchaser. Seller hereby grants Purchaser and Purchaser’s agents, employees, representatives, consultants, and contractors a nonexclusive, limited license during the Investigation Period, subject to the rights of any tenant, licensee, utility or other third party occupying any portion of the Lots, to enter and have access to the Lots for purposes of having such investigations performed and the right to discuss the Lots and the conditions related thereto with governmental authorities. Purchaser may choose to have Contractors perform site investigation work on site. Upon any termination of this Agreement by Purchaser, Purchaser shall immediately, at its sole cost, fully restore each of the Lots to the exact condition as existed before the Investigation Period. Purchaser’s duty to restore the condition of the Lots survives termination of this Agreement.

## DRAFT 06/16/26

1.1.1 If Purchaser first provides a copy of a Phase I environmental assessment prepared by a licensed environmental consultant identifying any recognized environmental conditions that would necessitate a Phase II environmental assessment (“*Phase II*”) and Purchaser determines that it is necessary or desirable to obtain a Phase II, and if the Phase II report cannot reasonably be completed prior to expiration of the Investigation Period, the Investigation Period shall be extended until fourteen (14) days after Purchaser’s receipt of the Phase II, as applicable, but in no event shall such extension be any longer than ninety (90) days.

1.1.2 If Purchaser is dissatisfied with the results of its inspections, for any reason or no reason, in its sole and absolute discretion, Purchaser may terminate this Agreement by delivering written notice of termination (the “*Due Diligence Termination Notice*”) to Seller at any time on or before the expiration of the Investigation Period set forth above, as the same may be extended. Upon receipt of the Due Diligence Termination Notice Seller shall immediately refund the Earnest Money Deposit to Purchaser. Upon such termination and refund of the Earnest Money Deposit, neither Party shall have any further obligations or liability in this Agreement, except and only for those obligations that by the express terms of this Agreement survive termination. If Purchaser has not terminated this Agreement by the expiration of the Investigation Period, Purchaser’s right to terminate this Agreement pursuant to this Section 1.1.2 shall expire but Purchaser’s right to terminate pursuant to any other Section of this Agreement shall continue as provided in such Section.

1.2. To allow Purchaser to review the title commitment and raise any objections Purchaser may have regarding the state of Seller’s title to the Lots pursuant to Section 3.2.

1.3. At Closing, Seller shall duly execute and deliver to Purchaser and shall be otherwise responsible for the following:

1.3.1 Furnishing Covenant Deeds in Michigan statutory form (“*Deeds*”) duly executed, witnessed and acknowledged, conveying the Lots to Purchaser subject only to Permitted Exceptions (as hereinafter defined).

1.3.2 Paying all Monetary Encumbrances (as hereinafter defined) in accordance with Section 3.2 of this Agreement.

1.3.3 If required by the Title Company, providing an affidavit or affidavits that Seller is not a foreign person or other foreign entity pursuant to Section 1445 of the Internal Revenue Code, and setting forth Seller’s tax identification number, in form satisfactory to Purchaser;

1.3.4 Payment of any required state, county and other transfer taxes payable with respect to the Covenant Deed to be delivered pursuant to this Agreement;

1.3.5 Payment of one-half of any required escrow fees and Closing fees charged by the Title Company; and

1.3.6 The closing statement and such other documents or activities as shall be reasonably requested by the Title Company or required by law in order to consummate the Closing and permit the issuance of a Title Policy insuring Purchaser’s interest in the Lots as provided above.

## 2.0. SELLER’S REPRESENTATIONS AND WARRANTIES.

Seller hereby makes the following representations and warranties to Purchaser with respect to the subject matter of this Agreement, as of the Effective Date, and Seller shall reaffirm the following representations and warranties as of the date of Closing:

## DRAFT 06/16/26

- 2.1. There are no service contracts (such as garbage disposal, etc.) affecting the Lots.
- 2.2. The Lots are located on a public street or road which is maintained by public authorities.
- 2.3. The transaction contemplated by this Agreement will not violate any laws, ordinances, rules, regulations or orders concerning parcel splits or land divisions.
- 2.4. The Lots are zoned: \_\_\_\_.
- 2.5. Closing on this Agreement is conditioned on Purchaser receiving from the City any needed variances required for construction of duplex residential dwellings on the Lots and Seller furnishing a Deed for each Lot.

### 3.0. PURCHASER AGREES:

3.1. To obtain at the Purchaser's sole expense, if desired, a commitment ("**Title Commitment**") for an Owner's Policy of Title Insurance to be issued by a title insurance company acceptable to Purchaser ("**Title Company**") in usual form and with standard exceptions and also subject to the Permitted Exceptions (as hereinafter defined), insuring Purchaser's title in the amount of the Purchase Price ("**Title Policy**").

3.2. In the event that the Title Commitment discloses any liens, encumbrances, easements or other matters that Purchaser determines, in its sole and absolute discretion, are not acceptable, Purchaser shall so notify Seller within ten (10) days after receipt of the Title Commitment with copies of all title exceptions ("**Title Review Period**"); provided, however, in no event shall the Title Review Period extend more than seven (7) days after the expiration of the Investigation Period. If the objections are such that the matters objected to cannot be cured or insured over (for example, the location of a drain or water course), Purchaser may terminate this Agreement as provided below. If the objections are such that the matters objected to can be cured or insured over, Seller shall have five (5) business days from the date Seller is notified in writing of the particular defects ("**Seller Response Period**") claimed either to remedy the same or to obtain the affirmative commitment of the Title Company to insure over the defect to which objection is made; provided, however, in no event shall Seller have any obligation to remedy any Title Defect except as it pertains to Monetary Encumbrances (as hereinafter defined), and if Seller does not provide any response to Purchaser's notice of any such defects within the Seller Response Period, Seller shall be deemed to have elected not to remedy any of the title defects. Notwithstanding the foregoing, any lien, encumbrance or defect that may be remedied by the payment of an ascertainable amount of money (and that was not caused by Purchaser) ("**Monetary Encumbrances**"), if not sooner eliminated by Seller, shall be paid from the Closing proceeds and any lien or encumbrance securing indebtedness of Seller need not be objected to by Purchaser, but shall be paid from the Closing proceeds. In the event Seller elects not to remedy any such objection or is unable to remedy the title or obtain title insurance within the time specified, Purchaser may as its sole remedy, such election to be made in writing within five (5) days after the expiration of the Seller Response Period, either (i) waive such defects and take title subject to such defects, or (ii) terminate this Agreement without any further liability to Seller, and if no such election is made in writing, Purchaser shall be deemed to have elected clause (i) of this sentence. Upon termination of this Agreement pursuant to this Section 3.2, Purchaser shall receive a full refund of the Earnest Money Deposit, notwithstanding any other provisions of this Agreement. Any matter disclosed by the Title Commitment to which Purchaser fails to timely object, if required by this Section to do so, or to which Purchaser objects but subsequently waives its objection in writing, shall be a "**Permitted Exception**" and collectively, the "**Permitted Exceptions**".

3.3. At Closing, Purchaser shall duly execute and/or deliver to Seller and shall be otherwise responsible for the following:

## DRAFT 06/16/26

3.3.1 The Purchase Price (as set forth in Exhibit B to this Agreement), which shall be paid in full by wire transfer or cashier's check, with appropriate credits and adjustments for the Earnest Money Deposit and any other prorations or adjustments required in this Agreement;

3.3.2 Payment of all premiums for the endorsements to the Title Policy requested by Purchaser, if any, and one-half of the customary escrow fees and Closing fees charged by the Title Company;

3.3.3 Payment of recording fees for the Deed and any other documents recorded by or for Purchaser; and

3.3.4 The Closing statement and such other documents or activities as shall be reasonably requested by the Title Company or required by law in order to consummate the Closing.

3.4. The Deed shall be subject to the condition that Purchaser shall only erect on each of the Lots duplex residential dwelling units and that said dwelling units shall have a similar design aesthetic and appearance to that depicted in Purchaser's \_\_\_\_, 202\_ bid documents.

3.5. That Purchaser shall close on the sale of at least two of the four the Lots by September 1, 2026 and the Deed shall be subject to the condition that Purchaser shall commence construction of the duplex dwelling units on the two Lots prior to December 31, 2026. Purchaser shall close on the sale of the other two of the four Lots and the Deed shall be subject to the condition that Purchaser shall commence construction of the duplex dwelling units on the two Lots prior to December 31, 2026, and that Purchaser shall close on the sale of the other two of the four Lots and commence construction of the duplex dwelling units on the two Lots no later than June 1, 2027. For all four Lots, Purchaser shall complete construction and obtain a certificate of occupancy no later than 9 calendar months following the date of commencement of dwelling unit construction on each of the Lots. If Purchaser fails or refuses to meet the time deadlines of this subsection 3.5, any one of the Lots for which a deadline is not met shall revert back to the City and Purchaser shall, promptly reconvey the Lot, together with the building and all other improvements located thereon (if any) to the City for the purchase price of the affected Lot listed in Exhibits A and B to this Agreement, via a covenant deed subject to no liens, encumbrances, or exceptions to title beyond those set forth in the Deed. Purchaser will retain liability for adverse matters affecting the Lots created by Purchaser and accruing during its period of ownership. Purchaser shall defend, indemnify and hold Seller harmless from and against any claim, cost or expense arising out of Purchaser's construction activities on the Lots, including without limitation, the cost of construction, labor and materials. Purchaser shall, within thirty (30) days after receiving notice of the recording of any lien on a Lot to be reconveyed to the City, discharge by payment or bonding, as permitted by applicable law, any construction liens or other liens recorded against the Lots that arise out of the activities conducted at the Lots by or on behalf of Purchaser. The indemnification obligation set forth in this Section 3.5 shall survive Closing or any earlier termination of this Agreement.

3.6 Purchaser shall pay for all work, labor and services as shall be performed in connection with its due diligence investigations of the Lots. Purchaser shall not permit any liens to attach to the Lots by reason of its due diligence activities. Purchaser shall, within thirty (30) days after receiving notice of the recording of any such lien, discharge by payment or bonding, as permitted by applicable law, any construction liens or other liens recorded against the Lots that arise out of the activities conducted at the Lots by or on behalf of Purchaser.

3.7 Purchaser hereby assumes all risks of such entry and agrees to defend, indemnify and hold Seller harmless from and against any claim, cost or expense resulting from any damage to or destruction of any property (including the Lots or any improvements thereon) and any injury to or death of any person(s), arising from the acts or omissions of Purchaser or its agents in the exercise of the right-of-entry granted under Section 1.1. This indemnification obligation shall survive Closing or any earlier termination of this Agreement.

## DRAFT 06/16/26

3.8 If a Lot is disturbed or altered in any way as a result of Purchaser's due diligence activities, Purchaser shall promptly restore the Lot to substantially the same condition it was in immediately prior to such activities at its own expense. Any drilling and coring holes shall be filled upon completion of testing.

### 4.0 ENVIRONMENTAL AND OTHER INSPECTIONS

4.1. Seller reserves the right to monitor and approve all procedures in the conduct of any environmental assessments, tests, studies, measurements or analyses performed by or for Purchaser in, on, to or with respect to the Lots. Purchaser shall provide in any contract or bids for site assessment or environmental inspections of the Lots a "confidentiality clause", limiting disclosure of the results and any report only to Purchaser (or to Seller upon request). Purchaser shall also notify Seller in writing no less than five (5) days prior to initiating any such environmental work; keep Seller fully apprised of the progress of, and procedures followed with respect to, all such environmental work; and fully cooperate with all reasonable requests of Seller in undertaking and carrying out such work. Purchaser shall deliver to Seller, at no cost to Seller, within five (5) days after receipt, copies of all results, assessments, reports and studies, whether of an environmental nature or otherwise, resulting from any tests or inspections conducted by Purchaser otherwise in accordance with this Agreement.

4.2. If environmental contamination of the Lots is revealed by the studies and tests conducted by Purchaser in an amount and/or concentration beyond the minimum acceptable levels established by current applicable governmental authorities, or, if Purchaser is unwilling to accept the environmental condition of the Lots as a result of such tests or assessments, Purchaser's sole and exclusive remedy shall be to terminate this Agreement and receive refund of the Earnest Money Deposit to the Purchaser. Under no circumstances shall Seller be required to correct, remedy or cure any condition or environmental contamination of the Lots or violation of Environmental Laws that Purchaser's tests and studies may reveal, as a condition to Closing or any other performance under this Agreement.

4.3. If Purchaser elects not to secure environmental tests or inspections, or if Purchaser does not elect to terminate this Agreement after receipt of test results, Purchaser shall take the Lots "as is" at closing, and hereby assumes all risks associated with the environmental condition of the Lots, regardless of the cause or date of origin of such condition, and also hereby releases all rights or claims against Seller relating to such condition or for any costs of remediation or cure of any environmental condition.

### 5.0. ENVIRONMENTAL MATTERS.

#### 5.1. Definitions.

5.1.1. "**Hazardous Substances**" includes any compounds, materials or substances which are regulated or become regulated under any of the Environmental Laws (defined below), including, without limitation, those compounds, materials, or substances (i) defined as a hazardous substance pursuant either to the Comprehensive Environmental Response, Compensation and Liability Act, 42 USC § 9601 et seq., and amendments thereto and rules and regulations promulgated pursuant thereto, or Part 201 of the Michigan Natural Resources and Environmental Protection Act, MCL § 324.20101 et seq., and amendments thereto and rules and regulations promulgated pursuant thereto; (ii) containing gasoline, oil, diesel fuel or other petroleum product; (iii) defined as "hazardous waste" pursuant to either the federal Resource Conservation and Recovery Act, 42 USC § 6901 et seq., and amendments thereto and rules and regulations promulgated pursuant thereto, or Part 111 of the Michigan Natural Resources and Environmental Protection Act, MCL § 324.11101 et seq., and amendments thereto and rules and regulations promulgated pursuant thereto; (iv) containing polychlorinated biphenyls (PCBs); (v) containing asbestos; and/or (vi) containing radioactive material, flammable explosives or biological material.

5.1.2. "**Environmental Laws**" means any applicable federal, state and local environmental, health, safety and/or sanitation statutes, laws, rules, regulations, ordinances, orders, rulings, and interpretations,

DRAFT 06/16/26

including rulings and orders of regulatory and administrative authorities with respect thereto, including, but without limiting the generality of the foregoing, the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 USC § 9601 et seq., the Resource Conservation and Recovery Act, as amended, 42 USC § 6901 et seq., and all parts contained within the Michigan Natural Resources and Environmental Protection Act, as amended, MCL § 324.101 et seq.

5.2. Seller makes no warranties or representations whatsoever express or implied regarding the presence or absence of Hazardous Substances on or under the surface of or in any affecting the Lots or the use or condition of the Lots now or ever being in compliance with any Environmental Laws.

5.3. During the Investigation Period, Purchaser may at its sole expense order an ASTM Phase I environmental site assessment of any Lot, conducted by a licensed environmental engineer or consultant of the Purchaser's choice. Subject to the provisions of Section 1.1.1, Purchaser may at its sole expense also order any ASTM Phase II environmental testing it desires based on the Phase I assessment results.

5.4. The provisions of this Section 5.0 shall survive Closing.

**6.0. IT IS FURTHER AGREED:**

6.1. Closing on this Agreement is conditioned on Purchaser receiving from the City any needed variances required for construction of duplex residential dwellings on the Lots and Seller furnishing a Deed for each Lot. Purchaser acknowledges and agrees that nothing in this Agreement shall compel the City to grant a variance required for construction of duplex residential dwellings on the Lots.

6.2. Provided that this Agreement remains in full force and effect, the Parties agree to complete the sale and purchase of the Lots (the "**Closing**") as herein provided on or before the date that is seven (7) days after the expiration of the Investigation Period, as the same may be extended (the "**Closing Date**"). The Closing of this transaction shall take place at the offices of the Title Company or such other place as shall be agreed upon by the Parties. At the election of either Party, Closing may be an escrow style Closing.

6.3. There are no real estate taxes or special assessments currently levied against the Lots, because the Lots are tax exempt due to the fact that they are municipally owned. However, the Parties anticipate that the tax exemption currently applicable to the Lots will be removed after the Closing. Purchaser acknowledges and agrees that all real and personal property taxes and assessments pertaining to the Lots which become due and payable after Closing shall be paid by Purchaser.

6.4. Any damages to any Party arising from any breach of this Agreement be difficult to ascertain and that the sum deposited as Earnest Money expressed above, the Parties hereby fix and settle as liquidated damages, and not as penalty therefore and without any further liability or remedy on the part of either Party.

6.5. Upon Closing the Earnest Money Deposit shall be applied to the Purchase Price. In the event that this Agreement is contingent upon Seller meeting certain conditions and such conditions are not satisfied, resulting in this Agreement being rescinded or voided, then Seller will return the Earnest Money Deposit to Purchaser.

6.6. If the Closing of the sale is delayed by reason of delays in issuance of the Title Commitment or by title defects, which can be readily corrected, or if the terms of purchase are a cash sale with new Mortgage, and the lender issues a commitment prior to the date of Closing, but is delayed in consummating the security transaction, then a reasonable extension of time, but not to exceed thirty (30) days, shall be allowed for closing, unless otherwise agreed to in writing between the Purchaser and Seller; and time is of the essence of this Agreement.

DRAFT 06/16/26

6.7. The risk of loss or damage to the Lots by condemnation, eminent domain or similar proceedings (or deed in lieu thereof), or by fire or any other casualty, from the Effective Date through the Closing Date will be on Seller and thereafter will be on Purchaser. In the event loss or damage to the Lots prior to Closing, Purchaser shall have the option to terminate this Agreement and receive a full refund of the Earnest Money Deposit.

6.8. This is the entire agreement between the Parties regarding its subject matter of the Agreement. This Agreement shall not be modified or amended except in writing executed by both Parties. The captions are for reference only and shall not affect the interpretation of this Agreement. However, the recitals are deemed an integral part of this Agreement. Each of the parties had the advice of legal counsel (or an opportunity to obtain the same) before entering into this Agreement and it is to be interpreted as if it were mutually drafted.

6.9. More than one copy of this Agreement may be signed, but all constitute but one agreement.

6.10. No failure or delay on the part of either party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor will any single or partial exercise, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege. All rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provide by law.

6.11. This Agreement shall be binding upon the Parties and their subrogees, successors, and permitted assigns.

6.12. After Closing, the Parties agree to execute such other and further documents as may be necessary to carry out the intents and purposes of the Parties set out in this Agreement.

6.13. This Agreement or a memorandum of this Agreement may, in the sole discretion of Seller, be recorded in the records of the Berrien County Register of Deeds.

6.14. The Parties acknowledge that if this Agreement is executed in advance of formal approval of this Agreement by the City Commission of the City of Buchanan ("**Commission**"), then the obligations of the Seller under this Agreement are contingent upon formal ratification and approval of this Agreement by the Commission.

6.15. Any Title Policy insuring Purchaser's title to the Lots, whether an owner's or mortgage policy, with or without standard exceptions, will be at Purchaser's expense. Seller will provide a title company estoppel or seller's certificate to the Title Company, provided that it is accurate in all respects and is reasonably acceptable to Seller.

**7.0 BROKERS.** Each Party represents and warrants to the other that it has not dealt with any real estate broker or salesperson in connection with the purchase and sale contemplated hereby. Each Party agrees to hold the other harmless from all loss, damage, costs and expenses (including attorneys' fees) that the other Party may suffer as a result of any claim brought by any broker, salesperson or finder with whom such Party may have dealt in connection with this transaction.

**8.0. NO ASSUMPTION OF LIABILITIES; "AS-IS" CONDITION.**

8.1. Purchaser acknowledges that Seller is selling each of the Lots in "As Is" condition and agrees that it accepts each of the Lots "As Is" without any warranties, representations, or guarantees, either expressed or implied, of any kind, nature, or type whatsoever from or on behalf of the Seller, except as expressly stated in Section 2 of this Agreement. Purchaser further acknowledges that Purchaser has inspected or caused the Lots to be inspected and has satisfied itself concerning the condition of the Lots and any improvements thereon and the extent and boundaries of each of the Lots.

DRAFT 06/16/26

8.2. From and after the date of Closing, the Seller shall not be responsible or liable to Purchaser, and Purchaser hereby releases the Seller from liability, subject to its representations and warranties set forth in this Agreement, if any, for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying any part of the Lots except as to the Seller or any of its affiliates which continue to occupy or operate on any portion of the Lots. From or after the date of Closing or the date Purchaser takes possession of the Lots, whichever is earlier, Purchaser shall be solely responsible for all injuries to persons and property resulting from any accident, explosion, leak or other cause arising in or about the use of the Lots and respective appurtenances after the date of Closing except as to the Seller or any of its affiliates which continue to occupy or operate on any portion of the Lots. The Seller shall not be responsible for any loss or damage resulting to Purchaser or its property or to any other person or persons on their property which may be caused by the bursting, stopping, or leaking of water, gas, sewer or steam pipes or from overflow or backing up of any sewer or water main, except as provided under Michigan statute.

8.3. Except as to any representations specifically set forth in this Agreement, the Seller affirmatively disclaims any implied or express representations or warranties of any kind as to any condition of the Lots that may adversely affect the development, or its fitness for absolutely any purpose whatsoever. Upon Closing for each of the Lots, Purchaser will be deemed to have acknowledged that it is satisfied with the condition of the Lots conveyed and shall be deemed to have waived any right to object to the condition of the Lots. The disclaimers contained in this Section 8.3 shall survive Closing or the early termination of this Agreement.

8.4. PURCHASER ACKNOWLEDGES THAT EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, NEITHER THE SELLER NOR ANY AGENT OR EMPLOYEE OF THE SELLER HAS MADE ANY REPRESENTATION, WARRANTY OR AGREEMENT, EITHER EXPRESS OR IMPLIED REGARDING THE CONDITION OF THE LOTS, AND PURCHASER HAS NOT RELIED ON ANY REPRESENTATION, WARRANTY OR AGREEMENT OF ANY KIND MADE BY THE SELLER OR ANY AGENT OR EMPLOYEE OF THE SELLER AS TO THE CONDITION OF THE LOTS. PURCHASER FURTHER EXPRESSLY ACKNOWLEDGES THAT, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, NEITHER THE SELLER NOR ANY AGENT OR EMPLOYEE OF THE SELLER HAS MADE ANY REPRESENTATION, WARRANTY OR AGREEMENT, EITHER EXPRESS OR IMPLIED, CONCERNING (A) THE PHYSICAL OR ENVIRONMENTAL CONDITION OF THE LOTS, ZONING, USE, VALUATION, INTENDED USE, OR OTHER CONDITION OF THE LOTS; (B) ITS MERCHANTABILITY; (C) ITS FITNESS FOR A PARTICULAR PURPOSE; (D) THE LOTS' COMPLIANCE WITH ANY ENVIRONMENTAL LAW; OR (E) THE PRESENCE OR ABSENCE OF ANY CONDITION, SUBSTANCE OR MATERIAL, INCLUDING BUT NOT LIMITED TO ANY WASTE MATERIAL, EQUIPMENT OR DEVICE AT, ON, IN, UNDER, ABOUT, OR FROM THE LOTS. PURCHASER AGREES THAT THE DISCLOSURES OF THE SELLER CONCERNING THE LOTS AND THEIR CONDITION ARE INTENDED TO SATISFY ANY DUTIES THE SELLER MAY HAVE UNDER THE LAW, INCLUDING BUT NOT LIMITED TO THE STATUTES, ENVIRONMENTAL LAWS, AND COMMON LAW. BY EXECUTING THIS AGREEMENT, PURCHASER ACKNOWLEDGES THAT IT IS ENTITLED TO CONDUCT ITS DUE DILIGENCE, INCLUDING BUT NOT LIMITED TO INSPECTION OF THE LOTS, AND OBTAINING THE RESULTS OF THE TESTS, INVESTIGATIONS AND SURVEYS PERMITTED UNDER THIS AGREEMENT. IF, PRIOR TO CLOSING, PURCHASER FAILS TO UNDERTAKE SUCH INVESTIGATIONS AND/OR OBTAIN SUCH TEST RESULTS AND SURVEYS, AND PURCHASER THEREAFTER ELECTS TO PROCEED TO CLOSING, PURCHASER SHALL THEREUPON BE DEEMED TO HAVE WAIVED ANY RIGHT TO OBJECT TO THE CONDITION OF EACH OF THE LOTS AND SHALL BE DEEMED TO HAVE DECLARED ITS FULL SATISFACTION THEREWITH. PURCHASER WAIVES, AND RELEASES THE SELLER AND ITS DULY ELECTED OR APPOINTED OFFICIALS, EMPLOYEES AND AGENTS ("**SELLER RELEASEES**") FROM, ALL PRIVATE RIGHTS OF ACTION UNDER FEDERAL, STATE, LOCAL, AND COMMON LAW, INCLUDING THE COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY ACT, THAT PURCHASER MAY HAVE AGAINST THE SELLER ARISING OUT OF THE PAST, PRESENT, OR FUTURE PRESENCE OF HAZARDOUS SUBSTANCES ON THE LOTS.

**9.0. DEFAULT, TERMINATION OF AGREEMENT, ATTORNEY'S FEES.**

9.1 In the event of a default or failure to proceed on the part of Purchaser in this Agreement, Seller's sole and exclusive remedy shall be to terminate this Agreement and retain the Earnest Money Deposit as liquidated damages. Purchaser shall have no further liability for any other sums payable or obligation pursuant to this Agreement whether then due or which would otherwise thereafter become due, or any further obligation of any kind under this Agreement, and all of Purchaser's rights in this Agreement with respect to the Lots shall terminate.

9.2 In the event of default by Seller in this Agreement, Purchaser shall be entitled, at its sole and absolute option, to elect as its sole and exclusive remedy to either: (i) proceed under this Agreement and waive such default, (ii) enforce the terms this Agreement, including specific performance, or (iii) terminate this Agreement and receive a full refund of the Earnest Money Deposit notwithstanding any other provision of this Agreement, in which event neither Party shall have any further liability to the other; provided, however, any action for specific performance must be filed within sixty (60) days following the date the Closing Date would have been in the absence of such default and in the event that such action is not filed, Purchaser shall be deemed to have elected clause (iii) of this sentence to terminate. In the event of any termination of this Agreement by Purchaser under this Section 9.2, and in addition to the return of all of the Earnest Money Deposit and any and all interest thereon, Seller shall reimburse Purchaser for all of its actual third-party out-of-pocket costs and expenses (substantiated with invoices or other evidence of payment of such costs and expenses by purchaser) up to a maximum of \$\_\_\_\_\_.00; provided, however, that such limitation on the amount of the reimbursement will not be applicable if Seller's breach or default or the act or omission causing a representation or warranty to become untrue is willful or intentional (including, without limitation, a conveyance of the property or any portion thereof to a third party).

9.3 Provided, neither Party shall be deemed to be in default under this Agreement for any failure to comply with its obligations in this Agreement, and the other Party shall not terminate nor take any action to terminate this Agreement, until the defaulting Party has first been given written notice of any default in this Agreement and has failed to cure such default within thirty (30) days after receipt of such notice. In the event of any judicial proceedings arising from any alleged breach or default by either Party under this Agreement, the prevailing Party shall be entitled to recover, and the non-prevailing Party shall pay, all of the prevailing Party's costs, expenses and reasonable attorneys' fees incurred in connection with such proceeding.

9.4 Notwithstanding the foregoing, neither Party will have any right to seek or collect any consequential, special or punitive damages for a breach of or default under this Agreement and the remedy limitations provided for in this Section 9 shall not be deemed to limit any rights or remedies either Party may have after Closing with respect to those representations, warranties, indemnities, or other provisions of this Agreement that expressly survive Closing as provided herein, or under any other documents entered into at Closing pursuant to this Agreement.

**10. MISCELLANEOUS.**

10.1 Failure of either party to complain of any act or omission on the part of the other party, no matter how long the same may continue, shall not be deemed to be a waiver by such party of any of its or its rights hereunder. No waiver by any party at any time, express or implied, of any breach of any provision of this Agreement shall be deemed a waiver or a breach of any other provision of this Agreement or a consent to any subsequent breach of the same or any other provision. If any action by any Party shall require the consent or approval of another Party, such consent or approval of such action on any one occasion shall not be deemed a consent to or approval of said action on any subsequent occasion or a consent to or approval of any action on the same or any subsequent occasion.

10.2 The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience, and do not define, limit, construe or describe the scope or intent of such sections of this Agreement or in any way affect this Agreement.

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10.3. No Party other than Seller and Purchaser, and their respective heirs, personal representatives, successors and assigns, shall have any rights to enforce or rely upon this Agreement, which is binding upon and made solely for the benefit of Seller and Purchaser, and their respective heirs, personal representatives, successors and assigns, and not for the benefit of any other party.

10.4. Notice shall be deemed as given hereunder upon personal delivery to the individuals at the addresses set forth below, or, if properly addressed, two (2) business days following depositing such notice, certified mail, return receipt requested, with postage prepaid, in a United States mailbox, one (1) business day following depositing such notice in the custody of a nationally recognized overnight delivery service for next business day delivery or, one (1) business day following the emailing of such notice. Notice shall be deemed properly addressed if sent to the following addresses:

If to Seller:

With a copy to:

If to Purchaser:

With a copy to:

10.5. This Agreement shall be governed by the laws of the State of Michigan.

10.6. The execution and delivery of this Agreement by Purchaser shall constitute Purchaser's offer to Seller to acquire the Lots upon the terms and conditions herein set forth, and execution hereof by Seller shall be deemed its acceptance of such offer and agreement to sell the Lots upon such terms and conditions. This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original document but together shall constitute one instrument. This Agreement shall not be effective unless Purchaser and Seller have executed this Agreement.

10.7. Notwithstanding anything in this Agreement, in law or in equity, or otherwise, to the contrary, the Seller shall not be authorized or obligated to sell the Lots to Purchaser, and this Agreement shall be of no force or effect and may not in any way be enforced against the Seller, unless and until the date that this Agreement has been fully executed by the duly authorized representative of the Seller pursuant to the resolution of the Buchanan City Commission. Any amendments, alterations or modifications of this Agreement must likewise be duly authorized by resolution of the City Commission.

10.8. Seller shall waive any water and sewer tap fees for each of the Lots on which Purchaser builds a duplex residential dwelling.

10.9. Purchaser may apply for Brownfield Tax Increment Financing.

10.10. Seller's plan review fee for each of the Lots will not exceed One Hundred Dollars (\$100.00) for each dwelling unit.

**11.0 FORCE MAJEURE.**

If due to an act of God; inevitable accident; fire or other casualty; lockout, strike or other labor dispute; riot or civil commotion; act of public enemy; war (or threat thereof); acts of terrorism (or threat thereof); enactment, rule, order or act of any government or governmental instrumentality (whether federal, state, local or foreign); natural disasters; flood; earthquake; tornado; blizzard; snow storm; severe weather (wind or rain); epidemics; pandemics; quarantine restrictions; power or utility outage or failure; other cause of a similar or different nature not reasonably within either party's control; or either Party is materially hampered in the performance of its obligations under this Agreement, except for the inability to make payment of money, or its normal business operations are delayed or become impossible or commercially impracticable (collectively, a "*Force Majeure Occurrence*"), then, without limiting either Party's rights or obligations, the party affected by the Force Majeure Occurrence may, upon notice to the other Party, suspend its obligations hereunder for the duration (or any portion thereof) of the Force Majeure Occurrence, and this Agreement shall be suspended during the period of the Force Majeure Occurrence (or portion thereof if applicable), and such suspension shall not be deemed a breach of this Agreement. In the interest of clarity and for the avoidance of doubt in the event a Party's performance is suspended pursuant to a Force Majeure Occurrence and such suspension delays, makes impossible or commercially impracticable, or materially hampers the other Party in the performance of its obligations, including, without limitation, meeting time sensitive achievements, then such other Party's performance shall also be suspended or tolled hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement of Purchase and Sale as of the day and year first above written.

City of Buchanan, Seller

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

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

Astrong Construction, LLC  
Purchaser

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

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

EXHIBIT A  
LEGAL DESCRIPTION OF THE LOTS

[To be provided]

EXHIBIT B

PURCHASE PRICE

Parcel Number: 11-58-2000-0044-00-9

Property Address: 416 BLUFF ST BUCHANAN MI 49107

Purchase Price: \$6300.00

Parcel Number: 11-58-2000-0043-00-2

Property Address: 418 BLUFF ST BUCHANAN MI 49107

Purchase Price: \$6300.00

Parcel Number: 11-58-2000-0364-00-3

Property Address: 1104 VICTORY ST BUCHANAN MI 49107

Purchase Price: \$7500.00

Parcel Number: 11-58-2000-0057-00-3

Property Address: 411 ELIZABETH ST BUCHANAN MI 49107

Purchase Price: \$7100.00