

PURCHASE AGREEMENT

This Purchase Agreement (this "Agreement") is entered into as of the 16th day of June, 2023 ("Effective Date"), by and between **GALLIVAN CORPORATION**, an Illinois corporation, whose address is 2918 Crossing Court, Suite C-1, Champaign, Illinois 61822 (the "Seller") and the **CITY OF THE VILLAGE OF DOUGLAS**, a Michigan municipal corporation, whose address is 86 W. Center Street, Douglas, Michigan 49406 (the "Purchaser") (individually, a "Party" and collectively, the "Parties"), for the transfer of real property located at 415 Wiley Road within the City of the Village of Douglas, Allegan County, Michigan, and legally described in Exhibit "A" attached hereto.

I. Property Transferred. The Purchaser shall purchase and receive, and the Seller shall sell the above real property consisting of approximately 7.8 acres, along with any structures thereon situated, which property is commonly known as "professional building at 415 Wiley Road" and includes Tax Parcel Nos. 59-021-015-10, 59-021-016-00 and 59-021-017-00, including all easements and all other interests and rights of the Seller which are appurtenant to the real estate, including, but not limited to, all rights, title, and interest, if any, of the Seller in and to any land lying in the street, road, or avenue in front of, within, adjacent to, or adjoining such land (collectively, the "Property").

II. Closing. Provided that this Agreement shall not previously have been terminated as permitted herein, the closing of the sale described herein shall take place at the office of the title company, or at another location mutually agreed upon by the Parties, no later than September 29, 2023, or on such other date as the Parties agree in writing (the "Closing"). The Closing shall occur with all originally and fully executed closing documents provided by hand-delivery or by overnight mail delivery to the title company.

III. Purchase Price. The Property shall be purchased for the sum of One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00) (the "Purchase Price"). The Purchase Price shall be paid by the Purchaser to the Seller in certified funds at Closing.

IV. Evidence of Title. The Seller shall, at its expense, as soon as practical, and in any event by no later than September 1, 2023, obtain and cause to be delivered to Purchaser a commitment for an owner's policy of title insurance in the amount of the purchase price, with standard exceptions removed at Closing, showing the Seller's title to be in the condition called for under this Agreement, except for mortgages, judgments, and other liens which can and will be satisfied out of the proceeds of sale. Within ten (10) days of receipt of the commitment for title insurance, the Purchaser shall notify the Seller of any restrictions, reservations, limitations, easements, liens, and other conditions of record (together hereinafter called "Title Defects"), disclosed in such commitment which would interfere with Purchaser's proposed use of the Property and are therefore objectionable to the Purchaser. Should the Purchaser notify the Seller of any such Title Defects, the Seller shall have until Closing to cure or remove same. If such Title Defects are not cured by Closing, the Purchaser may, at the Purchaser's option, terminate this Agreement, or alternatively set a date with the Seller to extend the closing date to a mutually agreed upon closing date so as to provide the Seller with an additional opportunity to cure said Title Defects.

In the event such Title Defects are not cured by the date set Closing, or any extension thereof, and the Purchaser elects not to waive its title objections, the Purchaser may terminate this Agreement.

V. Survey Matters. The Purchaser may, at its expense, as soon as practical and in any event within sixty (60) days from the Effective Date, obtain a Survey of the Property (the "Survey"). Within five (5) days of receipt of the Survey, the Purchaser shall notify the Seller of any encumbrances, easements, or other conditions (together hereinafter called "Survey Defects"), disclosed in such Survey which would interfere with the Purchaser's proposed use of the Property and are therefore objectionable by the Purchaser. Should the Purchaser notify the Seller of any such Survey Defects, the Seller shall have until the closing date to cure or remove same. If such Survey Defects are not cured by the closing date, the Purchaser may, at the Purchaser's option, terminate this Agreement, alternatively set a date with the Seller to extend Closing to a mutually agreed upon closing date so as to provide the Seller with an additional opportunity to cure said Survey Defects. In the event such Title Defects are not cured by the closing date, or any extension thereof, and the Purchaser elects not to waive its survey objections, the Purchaser may terminate this Agreement.

VI. Environmental and Inspection Matters. Within seven (7) days of the Effective Date, Seller shall make available to Purchaser for inspection copies of all existing reports of soil conditions, ground water, wetlands, underground storage tanks, subsurface conditions and/or other environmental or physical conditions relating to the Property as are in the possession of Seller or under its control, without responsibility, however, to obtain for Purchaser from the person making any such report the right to rely thereon and without representation or warranty by Seller concerning the truth, accuracy or completeness of any information or conclusion contained therein, all of which are disclaimed by Seller. The Purchaser or its agents, representatives, and/or independent contractors shall have the right and license to enter the Property upon reasonable advance notice to the Seller, for all purposes relative to Purchaser's inspection of the condition of the Property, including without limitation building inspection, soil boring and testing, wetland, a Phase I environmental audit and any other environmental and toxic inspections and studies, all of which shall be completed within one hundred twenty (120) days from the Effective Date. The Purchaser shall then have five (5) days thereafter to determine whether it is satisfied with the condition of the Property. The Purchaser shall advise the Seller within this five (5) day period if it is not satisfied with the condition of the Property. In the event the Purchaser is not satisfied with the condition of the Property and so notifies the Seller in writing, this Agreement shall terminate and neither party shall have any further liability or responsibility thereunder. In lieu of termination of this Agreement, the Purchaser or its agents, representatives, and/or independent contractors may in Purchaser's sole discretion conduct a Phase II environmental audit and prepare a due care plan and Baseline Environmental Assessment ("BEA") to be filed with the Michigan Department of Environmental, Great Lakes and Energy.

VII. Seller's Covenants. Between the Effective Date and Closing, Seller shall, unless otherwise consented to in writing by Purchaser:

(a) Not suffer or permit any new easements, encumbrances, liens or security interests to attach to the Property, or transfer or convey the Property or any portion or portions of the Property.

(b) Not enter into any contract with respect to the Property that shall survive Closing.

(c) At Seller's sole cost and expense: (i) maintain and operate the Property in compliance with all laws, ordinances and other requirements of any governmental authority having jurisdiction and substantially in the same manner in which it maintained and operated the Property immediately before entering into this Agreement, and Seller shall not diminish the quality or quantity of maintenance and upkeep services heretofore provided to the Property, (ii) maintain and keep Seller's insurance in full force and effect, and (iii) pay all outstanding taxes, assessments, maintenance and other charges related to the Property.

(d) Not convey or remove from the Property any Improvements.

(e) Pay and satisfy in full or otherwise remove from the Property any and all liens, liabilities and encumbrances placed, or caused to be placed, of record against the Property evidencing a monetary obligation which can be removed by the payment of money, including, without limitation, delinquent real property taxes and assessments, mortgages, construction liens, attachment liens, execution liens, tax liens and judgment liens on or before the Closing Date, provided that Seller may use the proceeds of the sale to do so.

(f) Not negotiate with any other party for the purchase and sale of the Property. Furthermore, Seller shall not enter into any contracts or agreements pertaining to the Property, which would survive the Closing and be binding upon Purchaser without obtaining Purchaser's prior written consent, which consent may be withheld in Purchaser's sole discretion.

VIII. Seller's Representations. Seller represents, warrants, and covenants to Purchaser that, except as set forth or otherwise disclosed in this Agreement:

(a) This Agreement constitutes a valid and binding agreement of Seller, enforceable in accordance with its terms. Seller has obtained all consents, releases and permissions and given all required notifications related to the transactions herein contemplated and required under any covenant, agreement, encumbrance, law or regulation to which Seller is a party or by which Seller is bound.

(b) Seller is the fee simple owner of the Property. Other than this Agreement, Seller is not a party to any contract, agreement or commitment to sell, convey, assign, transfer or otherwise dispose of any portion or portions of the Property.

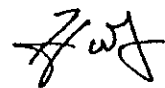
(c) Seller has the right to execute this Agreement and to sell the Property without obtaining the consent, approval, release, or signature of any other party. The signatories hereto on behalf of Seller have been duly authorized to execute and deliver this Agreement and to bind Seller hereto. Seller has full power to consummate the transaction described in this Agreement, the execution and delivery of this Agreement by Seller and the consummation by Seller of the transaction described herein has been duly and validly authorized by all necessary action and the observance of all required formalities on the part of Seller such that this Agreement constitutes a valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms.

(d) Seller has not received notice of violation of any applicable law, ordinance, regulation, order or requirement relating to Seller's ownership or use of the Property.

(e) As of Closing, there will be no obligations or liabilities of any kind or nature whatsoever, actual or contingent, including, but not limited to, any tax liabilities, contract liabilities or tort liabilities relating to the Property for which or to which Purchaser or the Property will be liable.

(f) To the best of Seller's knowledge: (i) neither the Property nor any part thereof is in breach of any environmental laws; (ii) no part of the Property has ever been used as a landfill, dump, toxic or waste disposal site or storage area; (iii) there are no underground storage tanks at the Property, or, with respect to removed tanks, at the time of removal, any contaminated soil was removed; and (iv) the Property is free of any Hazardous Materials that would trigger response or remedial action under any environmental laws or any existing common law theory based on nuisance or strict liability. As used in this Agreement, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substance defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" now or subsequently regulated under any applicable federal, state or local laws or regulations, including, without limitation, petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds, and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons.

(g) To Seller's knowledge, all of the improvements upon the Real Property have been constructed and installed in substantial accordance with applicable codes, laws, ordinances, rules, regulations, permits and approvals and have been completed in a professional and workmanlike manner and are in good operating condition and repair other than ordinary wear and tear. All utilities, including, but not limited to, electric, gas, water, sanitary and storm sewer, cable and telephone are located on or adjacent to the Property.



(h) There are no unpaid commissions, finder's fees or similar payments in connection with any lease, including with respect to any options to extend, expand or renew.

(i) There are no claims of unpaid contractors, materialmen, or laborers, which could result in a lien on the Property.

IX. Property Taxes. All property taxes and assessments, if any, which have been billed for the Property in the years prior to closing shall be paid by the Seller at or prior to closing. Property taxes and assessments which are billed in the year of closing, if any, shall be prorated so that the Seller shall be charged with taxes and assessments from the first of the year to the closing date and Purchaser shall be charged with any taxes and assessments due for the balance of the year (as if paid in arrears). All other taxes, rents, utility charges, and similar items of income or expense shall be adjusted pro rata as of the date of closing.

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

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

XII. Due Diligence and Zoning Approvals. The Purchaser or its agents, representatives and/or independent contractors shall have the right and license to enter the Property, for the purposes of making any and all surveys, appraisals, roofing and mechanical and electrical system inspections and the like, and zoning or rezoning approvals, all of which inspections, approvals and due diligence shall be at the Purchase's sole expense and completed within seventy-five (75) days from the Effective Date (the "Due Diligence Period"). The Purchaser shall advise the Seller on or before the expiration of the Due Diligence Period if it is not satisfied with the condition of the Property. In the event the Purchaser is not satisfied with the condition of the Property and so notifies the Seller as set forth herein, the Agreement shall terminate, and neither party shall have any further liability or responsibility thereunder.

XIII. Warranty Deed. At the Closing, the Seller shall deliver to the title company a good and sufficient Warranty Deed. Said Deed shall warrant title to the Property free and clear of all liens.

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

XV. Closing Costs. The Seller shall pay the costs of preparation of the warranty deed, title policy, transfer tax (if any), and any attorneys' fees incurred by the Seller. At the Closing, the Purchaser shall pay the costs of recording the Warranty Deed, attorneys' fees incurred on behalf of the Purchaser, and any inspection costs initiated by the Purchaser. In addition, the Seller and

the Purchaser shall each pay one half (1/2) of all other closing costs imposed by the title company for the transaction described in this Agreement.

XVI. Litigation. The Seller is not now engaged in, or to the best of its knowledge, threatened with any litigation or legal or other proceeding in connection with the ownership and operation of the Property or because of selling the Property pursuant to this Agreement.

XVII. Possession and Occupancy. At the Closing, the Purchaser shall take possession of the Property.

XVIII. City Council Approval. This Agreement also is contingent upon the approval of its execution by the Purchaser's City Council. In addition to the foregoing, the Parties recognize that the Purchaser's intended use of the Property will require the City incur substantial additional costs for the rehabilitation and improvement of the Property and the disposition of existing City facilities no longer required. The aggregate amount of such costs is presently unknown and, consequently, the Purchaser's City Council is unable to fairly evaluate whether, after giving consideration to such costs, consummation of Purchaser's purchase of the Property is in the best interest of the Purchaser or, instead, alternatives for the location of Purchaser's municipal operations should be pursued. As a result, Purchaser is presently unable to provide, and does not provide, any assurance that the Purchaser's City Council will approve the Closing of this transaction. Consequently, if for any reason, or for no reason, on or before September 7, 2023 (the "City Council Closing Approval Deadline"), the Purchaser's City Council either (i) adopts a Resolution determining that the City shall terminate this Agreement, or (ii) fails to adopt a Resolution approving the Closing of this transaction in accordance with the terms of this Agreement, and in either case the Purchaser so notifies the Seller within five (5) calendar days thereof, then this Agreement shall terminate, and neither party shall have any further liability or responsibility thereunder.

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

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

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

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

XXIII. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

XXIV 1. **LEASES AND RENT ROLL.** Purchaser acknowledges receipt of copies of (i) Commercial Lease dated February 13, 2003 between Seller as lessor and Holland Community Hospital ("Lessee") with Lease Extension Agreements dated December 14 2007, July 27, 2017 and December 21, 2022 for certain space generally known as Suite 101; and (ii) Lease dated September 22, 2014 between Seller as lessor and Lessee with Lease Extension Agreements dated July 27, 2017 and December 21, 2022 for certain space generally known as Suite 102 and that Seller has agreed (via e mail) to allow Lessee to lease the respective spaces on a month-to-month basis upon the expiration of the terms on March 31, 2024 (both leases "Leases")

XXV 2. **LEASES, RENTS AND SECURITY DEPOSITS.** At closing, Seller and Purchaser shall execute an Assignment and Assumption of Leases substantially in the form attached hereto as Exhibit B and incorporated herein by this reference ("Assignment of Leases"). Rents shall be prorated as of the date of closing.

Seller agrees to indemnify, defend and hold Purchaser harmless from and against any and all liability (including attorneys' fees) arising out of defaults of Seller as Lessor under any of the Leases in existence on the Real Estate, and which occur prior to the date of the closing of this transaction. Purchaser agrees to indemnify, defend and hold Seller harmless from and against any and all liability (including attorneys' fees) arising out of defaults of Purchaser as Lessor under any of the leases in existence on the Real Estate, and which occur on or after the date of the closing of this transaction. This provision shall survive closing of this transaction.

Seller shall deliver to Purchaser at closing, the amounts of all unapplied security deposits without interest which have been received from tenants under the Leases in effect on the date of closing.

All payments to be made from Seller to Purchaser pursuant to this Section shall be given as a credit to the amount to be paid by Purchaser at closing.

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

~~XXVII~~ ~~XXV~~. Offer and Acceptance. Purchaser has extended its offer to purchase on May 25, 2023, which offer and Agreement will be void if not accepted by Seller execution and return of this Agreement by the Effective Date.

[SIGNATURES APPEAR ON FOLLOWING PAGE.]

SELLER:

**GALLIVAN CORPORATION,
an Illinois corporation**

By: Nancy R. Cleveland / [Signature]
Nancy R. Cleveland
Its: President

Dated: JUNE 16, 2023

PURCHASER:

**VILLAGE OF THE CITY OF DOUGLAS,
a Michigan municipal corporation**

By: Jerome Donovan [Signature]
Its: Jerome Donovan, Mayor

Dated: May 25, 2023

EXHIBIT "A"

Real property consisting of the following parcel located within the City of the Village of Douglas, Allegan County, Michigan, and legally described as follows:

Property Identification No. 59-021-015-10:

COM AT NW COR SEC 21 TH S 87 DEG 20' 10" E ON N LIN SD SEC 260' TO POB. TH S 87 DEG 20' 10" E ON SD N SEC LIN 93.45' TH S 2 DEG 52' 30" W 660' TH N 87 DEG 20' 10" W 93.93" TH N 2 DEG 55' E PPL WITH W LIN SD SEC 660' TO POB. SEC 21 T3N R16W. TAX MAP: 1.42 AC.

Property Identification No. 59-021-016-00:

COM AT NE COR W 1/2 W 1/2 NW 1/4 TH S 330 FT TO PL OF BEG TH W 300 FT TH S 330 FT TH E 300 FT TH N 330 FT TO BEG. ALSO E 300 FT OF N 330 FT NW 1/4 NW 1/4 NW 1/4 SEC 21, T3N R16W. TAX MAP: 4.57 AC (70)

Property Identification No. 59-021-017-00:

THE N 333 FT OF THE W 260 FT OF NW 1/4, SEC 21 T3N R16W.

Open.20448.13353.30919418-1

EXHIBIT "B" (Page 1 of 2)

ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE (this "Assignment") is entered into as of the ____ day of August, 2023 by and between GALLIVAN CORPORATION, ("Assignor") and CITY OF THE VILLAGE OF DOUGLAS ("Assignee").

1. Assignment. For good and valuable consideration received by Assignor, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby forever grants, assigns, conveys and delivers to Assignee the entire right, title and interest of Assignor in and to that certain lease(s), as may be amended, listed on Exhibit A attached hereto and incorporated herein by reference, including any and all security deposit (the "Lease"), and true, correct and complete copy of which has been previously delivered to Assignee and which Assignee hereby acknowledges. Assignor hereby agrees to indemnify Assignee against, and hold Assignee harmless from any and all costs, liability, loss, damage or expense, including without limitation, reasonable attorneys' fees and court costs, relating to any of the Assignor's obligations under the Lease which have originated prior to the date hereof.

2. Assumption. For good and valuable consideration received by Assignee, the receipt and sufficiency of which are hereby acknowledged, Assignee hereby assumes all of the covenants, agreements and obligations of Assignor under or in connection with the Lease, as applicable to, the period from and after the date hereof. Assignee hereby agrees to indemnify Assignor against, and hold Assignor harmless from any and all costs, liability, loss, damage or expense, including without limitation, reasonable attorneys' fees and court costs, relating to any of the Assignee's obligations under the Lease which have originated on or after the date hereof.

3. Counterparts and Copies. This Assignment may be executed in one or more counterpart signature pages (including facsimile or electronic [including, without limitation, "pdf", "tif", "jpg", DocuSign or AdobeSign] or other counterpart signature pages), each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment the day and year first above written.

ASSIGNOR:
GALLIVAN CORPORATION

By: _____
Nancy R. Cleveland, President

[the remainder of this page intentionally blank- signature to follow]

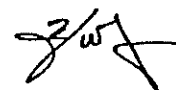


EXHIBIT "B" (page 2 of 2)

ASSIGNEE:
CITY OF THE VILLAGE OF DOUGLAS

By: _____
Jerome Donovan, Mayor

