

Draft 7.27

PURCHASE AGREEMENT

BY SIGNING THIS PURCHASE AGREEMENT (Agreement), **BOLL FILTER CORPORATION**, 22635 Venture Drive, Novi, MI 48375, a Delaware corporation (Buyer), and the **CITY OF NOVI**, whose address is 45175 Ten Mile Road, Novi, MI 48375 (Seller), agree to sell and purchase an approximately 1.76 acre parcel of vacant real estate (the "Property") located in the City of Novi, Oakland County, Michigan, described as follows:

T1N, R8E, SEC 26 HICKORY CORPORATE PARK LOT 8 EXC SLY 14.80 FT, ALSO SLY 107.50 FT OF LOT 9

Parcel No. 50-22-26-401-038 (the "Seller Parcel"), together with all improvements and appurtenances, with Buyer to pay Three Hundred Thousand Dollars (\$300,000.00) (the Purchase Price), subject to closing credits and debits and subject to the existing building and use restrictions and easements of record, and zoning ordinances, if any.

CASH SALE

Seller shall convey title to the Property to Buyer by delivery of a warranty deed conveying marketable title (Deed) on tender of the Purchase Price. Payment of the Purchase Price is to be made in cash, bank cashier's check, or wire transfer at the time of closing.

EVIDENCE OF TITLE

As evidence of title, Buyer shall obtain, at Buyer's cost, within thirty (30) days after the Effective Date (as defined below), a commitment to issue ("Title Commitment") an owner's policy of title insurance in the amount of the Purchase Price ("Title Policy") issued by a title company of the Seller's choice, and legible and complete copies of all documents raised in the Title Commitment (collectively, "Schedule B Documents"). The final Title Policy shall show title to the Property as of the date of Closing to be subject only to the Permitted Exceptions, as defined below.

TITLE OBJECTIONS

For purposes of this Agreement, marketable title shall mean fee simple title free and clear of any and all liens and encumbrances whatsoever, excepting only recorded and enforceable building and use restrictions which do not adversely impact Buyer's intended use, public utility easements of record which do not adversely impact Buyer's intended use, and zoning ordinances, which shall not constitute title defects or render the title to the Property unmarketable, provided, however, that Buyer, at Buyer's sole option, may elect to accept title in whatever condition it may be in, notwithstanding such condition would not meet the above definition of "marketable title" and, in such event, marketable title shall mean the condition of title which Buyer has elected to accept. If objection to the title is made in the commitment for title insurance or based on a written opinion of Buyer's attorney that the title is not in the condition required for performance of this Agreement, Seller, at Seller's sole option, shall have thirty (30) days from the date Seller is notified in writing of the particular defects claimed, either (1) to fulfill the requirements in the commitment or to remedy the title defects set forth in Buyer's attorney's opinion or (2) to refund the deposit in

full termination of this Agreement. If Seller is able to comply with such requirements or remedy such defects within the time specified, as evidenced by written notification, revised commitment, or endorsement to commitment, Buyer agrees to complete the sale within the later of (i) fourteen (14) days of receipt of a revised commitment or endorsement to commitment; or (ii) the outside Closing Date set forth in this Agreement, subject to any other contingency contained in this Agreement. If, after reasonable efforts, Seller is unable to furnish satisfactory title within the time specified, the deposit shall be immediately refunded to Buyer in full termination of this Agreement, unless Buyer elects to proceed with the sale accepting such title as Seller is able to convey.

EARNEST MONEY DEPOSIT

On the Effective Date (as defined below) of this Agreement, Buyer shall make an earnest money deposit of Fifteen Thousand Dollars (\$15,000.00), which shall be held by the Title Company and which shall be applied toward the Purchase Price at closing if the sale is consummated.

TAXES AND PRORATED ITEMS

All taxes and assessments which have become a lien on the Property as of the date of closing shall be paid by Seller, except that: (a) all current property taxes shall be prorated and adjusted between Seller and Buyer as of the date of closing on a due-date basis, without regard to lien date, as if paid prospectively (e.g., taxes due July 1 will be treated as if paid for the period July 1 through the following June 30, and taxes due December 1 shall be treated as if paid for the period December 1 through the following November 30); and (b) Buyer shall be responsible for the payment of all property taxes falling due after the date of closing without regard to lien date. Capital or lateral charges and special assessments which have become a lien on the Property shall be paid in full by Seller on or before closing. Capital or lateral charges and special assessments which have not become a lien on the Property shall be paid by Buyer either in full at closing, or, if applicable, in installments, and Seller shall pay all association dues, if any, during any post-closing occupancy period to the date of delivery of possession to Buyer. Buyer shall pay the cost of all utilities and service charges for the entire Property through and including the date of transfer of possession and occupancy to Buyer, if any.

CLOSING

Closing shall take place at the office of the Title Company or at the Seller's offices. If the closing takes place anywhere other than at the office of the Title Company, Buyer shall arrange for a Title Company representative with authority to update and mark up the commitment for title insurance as required under this Agreement to be present at the closing. If title can be conveyed in the condition required under this Agreement and all contingencies have been satisfied or waived, closing shall take place on a date and time as is mutually agreeable to the parties and as dictated by the ability and availability of Buyer's lender, if any, to close, provided, however, that closing shall occur not later than **December 31, 2025**. Buyer shall provide a complete package of every document (other than loan documents) to be executed by Seller to Seller's attorney at least 48 hours before closing.

PAYMENT OF FEES, CLOSING COSTS, ETC.

Buyer shall pay all closing fees and all costs associated with recording the required Deed and any loan documents. The parties agree that the Title Company shall prepare the required Deed and closing documents necessary to complete this transaction, that the Title Company shall conduct the closing, and that the cost of same, together with any settlement, document preparation, or disbursement fee, shall be borne by Buyer. Buyer shall also pay the required transfer tax, the cost of an owner's commitment and policy of title insurance, and recording fees relative to the discharge of Seller's mortgage, if any. At closing, the parties shall execute closing statements prepared by the Title Company and all income or other tax reporting documents as required by the Title Company. Buyer shall pay at closing \$1000.00 toward the cost of preparation and review of this Agreement and any closing documents by Seller's attorney.

BUYER'S CONTINGENCIES

Buyer's obligations under this Agreement shall be contingent on the following:

Survey. At Buyer's sole option and expense, Buyer obtaining a survey (of any type, e.g., mortgage report, ALTA/ASCM survey with any Table A options Buyer desires) of the Property within sixty (60) days after the Effective Date (as defined below). If Buyer is not satisfied with the results of the survey for any reason related to title, marketability, or Buyer's use of the Property, or if, for any reason, the survey is insufficient to cause the survey exception to be deleted from the standard exceptions to the policy of title insurance, Buyer shall so notify Seller in writing within seven (7) business days after the expiration of the sixty (60) day survey period. On receipt of written notice of same, Seller shall immediately refund to Buyer all sums deposited by Buyer and this Agreement shall be terminated and of no further force and effect. If no written objection is made by Buyer within the stated period, this survey contingency shall be deemed to be waived by Buyer and the parties shall proceed to closing in accordance with the terms of this Purchase Agreement and Buyer shall be deemed to have purchased the Property in an "AS IS" condition.

Environmental. Buyer obtaining satisfactory inspections and testing of the Property for radon, asbestos, toxic mold, and/or environmental contamination, including a Phase I Environmental Site Assessment (ESA), Phase II ESA, and if applicable a Baseline Environmental Assessment (BEA) of the Property, by a qualified person acceptable to Buyer, at Buyer's sole option and expense, within sixty (60) days after the Effective Date. If this inspection or testing shows any material level of asbestos or toxic mold and/or any environmental contamination, Buyer shall have the option to terminate this Agreement by written notice to Seller within seven (7) business days after expiration of the sixty (60) days inspection period. In such event, upon written notice of same to Seller, Buyer shall be immediately refunded all sums deposited by Buyer hereunder and this Agreement shall be null and void.

General Inspection Period. Buyer shall have the right for the sixty (60) day period following the Effective Date hereof to perform such reasonable and customary inspections of the Property as Buyer may desire. If Buyer is not satisfied with the results and such inspection for any reason, Buyer shall have the right to notify Seller in writing within seven (7) business days after the expiration of the sixty (60) day inspection period. On receipt of written notice of same, Seller shall immediately refund to Buyer all sums deposited by Buyer and this Agreement shall be

terminated and of no further force or effect. Buyer shall indemnify Seller from any loss or damages incurred by Seller as a result of Buyer's entry upon the Property and activities conducted by Buyer or its agents within the Property during such inspections.

Seller makes no representations with regard to the environmental condition of the Property, and expressly disclaims any warranties, covenants, or guarantees, whether express or implied, regarding the environmental condition of the Property.

(1) Disclaimer and Release. The Closing of the transaction contemplated by this Agreement shall constitute Purchaser's acceptance of the Property in its present environmental condition and physical condition on an "as is," "where is," and "with all faults and defects" basis, regardless of how such faults and defects were caused or created (by the negligence, actions, omissions, or fault of Seller or otherwise), and Purchaser acknowledges that without this acceptance, this sale by Seller would not be made, and the Seller shall not be under any obligation whatsoever to undertake any improvement, repair, modification, alteration, remediation, or other work of any kind regarding any of the Property.

Seller is expressly released by Purchaser and its successors and assigns from any and all responsibilities, liabilities, obligations, and claims of Purchaser known and unknown, whether based on negligence, strict liability, or otherwise, arising under Environmental Protection Laws, common law, or any other legal requirement, including any obligations to take the Property back or reduce the purchase price and any actions for contribution, indemnity, or to improve, repair, or otherwise modify the physical condition of the Property, that Purchaser or its successors or assigns may have against Seller, based in whole or in part on the presence of hazardous materials or other environmental contamination on, at, under, or emanating from the Property or arising from the Environmental Condition or physical condition of the Property, regardless of how caused or created (by the negligence, actions, omissions, or fault of Seller, pursuant to any statutory scheme of strict liability, or otherwise). Purchaser further acknowledges that the provisions of this disclaimer have been fully explained to Purchaser and that it fully understands and accepts the same as a condition to proceeding with this transaction. Purchaser acknowledges that Seller's employees, agents, or representatives have not made any statements or representations contrary to the provisions of this section. In entering into and performing this Agreement, Purchaser has relied, and will rely, solely on its independent investigation of and judgment regarding the Property and its value.

(2) Indemnification of Seller by Purchaser. From and after Closing, to the fullest extent permitted by law, Purchaser agrees to indemnify and hold harmless Seller and its elected and appointed officials, employees, and agents from and against any and all losses, liabilities, claims, strict liability claims, lawsuits, fines, penalties, judgments, expenses (including, but not limited to, reasonable attorney fees), environmental abatement, investigation, remediation and cleanup costs, and damages in connection with personal injuries, death, or damage to property or the environment relating or pertaining to any Environmental Condition in, on, or emanating from the Property, or any Environmental Claim, regardless of whether such Environmental Condition or Environmental Claim arises or is asserted pre-closing or post-closing, and/or arising after Closing from Purchaser's possession, use, or operation of the Property, regardless of whether such injuries/death/damage are caused by or arise from a third party's negligence, actions, or omissions.

(3) Survives Closing. The provisions of this Section 6 shall survive closing.

For purposes of this Agreement, the following terms shall be defined as follows:

(i) **“Environmental Condition”** means any condition or conditions affecting or relating to the existing building on the property, air, soil, groundwater, or surface water at or about the Property and any failure to comply with governmental requirements, including Environmental Protection Laws, relating to such condition or conditions, which could or does require remediation, including abatement, investigation, containment, or removal and/or which could result in Environmental Claim(s).

(ii) **“Environmental Claim(s)”** means all claims, causes of action, liabilities, damages, losses, costs, or expenses (including reasonable attorney and environmental consultant fees) relating to the prevention, abatement, investigation, remediation, release, or elimination of pollution or contamination, the violation of Environmental Protection Laws, or the application of Environmental Protection Laws pertaining to the condition of the Property and the migration of existing pollution onto or under other property. Environmental Claim(s) includes claims arising from application of Environmental Protection Laws to the condition of the Property, as well as any and all claims by third parties and by governmental or quasigovernmental entities no matter how such claims arise.

(iii) **“Environmental Protection Laws”** mean any and all current or future laws, statutes, rules, regulations, and judicial interpretations of the United States, of any state or local government, or of any other governmental or quasigovernmental authority having jurisdiction that relate to the prevention, abatement, investigation, remediation, or elimination of pollution and/or protection of the environment, including but not limited to those federal statutes commonly known as the Solid Waste Disposal Act of 1970, as amended; the Resource Conservation and Recovery Act of 1976, as amended; the Clean Water Act, as amended; the Clean Air Act, as amended; the Safe Drinking Water Act, as amended; the Migratory Bird Treaty Act, as amended; the Toxic Substances Control Act, as amended; and the Hazardous Materials Transportation Act, as amended; together with any and all other applicable federal, state, and local statutes, laws, rules, and regulations serving any similar or related purpose.

SELLER’S REPRESENTATIONS

Buyer acknowledges that Seller has never lived at or on the Property and has no personal knowledge as to the condition or status of the Property.

Seller represents to Buyer as follows:

To the best of Seller’s knowledge, there is no pending litigation affecting all or any part of the Property, or Seller’s interest in it.

Seller will transfer all division rights available to Buyer with the Deed.

POSSESSION/RIGHT OF OCCUPANCY

Buyer shall be entitled to possession of the Property at the time of closing.

LEGAL DESCRIPTION

Buyer and Seller acknowledge and agree that the legal description for the Property attached hereto is a close approximation, and that the final legal description in the Warranty Deed shall be that as set forth in the commitment for title insurance to be obtained by Buyer pursuant to the Agreement.

BROKER

The services of a Broker have not been retained in this transaction. Seller shall have no responsibility, liability, or obligation with regard to the payment of a commission or other compensation to a Broker.

EXPIRATION

It is contemplated, but not required, that this Agreement will be signed by the Buyer first, with the Earnest Money Deposit given to the Title Company. In such event, Seller shall have five (5) business days from the date of receipt of the Agreement after it has been executed by Buyer to accept and deliver a countersigned original of this Agreement to Buyer or Title Company; otherwise this Agreement shall constitute an expired offer to purchase and the Earnest Money Deposit shall be immediately returned to the Buyer.

TIME IS OF THE ESSENCE

At all times under this agreement where certain time constraints are set forth, the parties have agreed that TIME IS OF THE ESSENCE and that no extensions of said time limits are expected or agreed to unless specifically agreed to in writing.

RISK OF LOSS

Seller and Buyer agree that the Michigan Uniform Vendor and Buyer Risk Act (MCLA § 565.701, et seq.) shall be applicable to this Agreement, except that Buyer shall have the sole uncontrolled discretion to determine and define what constitutes “material” damage or destruction.

DUE ON SALE

Seller understands that consummation of the sale or transfer of the Property described in this Agreement shall not relieve the Seller of any liability that Seller may have under the mortgage(s) to which the Property is subject, unless otherwise agreed to by the lender or required by law or regulation.

BUYER’S DEFAULT

In the event of material default by the Buyer under this Agreement, Seller may, as Seller’s sole option, declare a forfeiture hereunder and retain the deposit as liquidated damages.

SELLER'S DEFAULT

In the event of material default by Seller under this Agreement, Buyer will be entitled to an immediate refund of the entire deposit in full termination of this Agreement plus reimbursement of Buyer's expenses incurred in obtaining a title insurance commitment as its sole remedy.

CHOICE OF LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan that are applicable to Agreements made and to be performed in that State. Should any court action be commenced at any time involving or concerning this Agreement, the parties hereto consent and agree to jurisdiction and venue being in the State of Michigan Circuit Court in Oakland County. The agreement of the parties in this paragraph shall survive the Closing of this transaction.

LEGAL DOCUMENT; INTERPRETATION

This is a legal and binding document, and both Buyer and Seller acknowledge that they have been advised to consult an attorney to protect their interests in this transaction. Where the transaction involves financial and tax consequences, the parties acknowledge that they have been advised to seek the advice of their accountant or financial adviser. No provision in this Agreement is to be interpreted for or against any party because that party or that party's legal representative drafted the provision.

NOTICES

All notices and demands required or permitted under this agreement shall be in writing and shall be served personally or by postage prepaid United States first class, certified (return receipt requested), or registered mail, addressed to the party at the address indicated on page 1 hereof or to such other place as may be designed by notice given in accordance with this section. It is agreed to by the parties that offers, acceptances and notices required hereunder may, but are not required to, be delivered by email (email) copy to the parties or their agents provided a hard copy (originally signed copy) is mailed or delivered in a timely manner. If faxed, the date and time of the receipt of the an email shall be the date and time of said offer, acceptance or notice. If not emailed, notice shall be deemed to have been given on the earlier of (a) the date of personal delivery, (c) the date when received, or (c) one (1) day after mailing if mailed in the State of Michigan.

GRAMMAR AND HEADINGS

Whenever words herein are used in the masculine, they shall be read in the feminine or neuter whenever they would so apply and vice versa, and words in this Agreement that are singular shall be read as plural whenever the latter would so apply and vice versa. The headings contained herein are for the convenience of the parties and are not to be used in construing the provisions of this Agreement.

BINDING EFFECT

The covenants, representations and agreements herein are binding upon and inure to the benefit of the parties hereto, their respective heirs, representatives, successors and assigns, and shall survive the Closing where indicated.

DATE OF EXECUTION

The Effective Date of this Agreement shall be the date on which the last person to sign this document (in its final form) shall have signed the document. In the event the parties fail to insert the date of execution beneath their signatures below, then the date of execution shall be the date on which Seller actually signed the document. **IT IS THEREFORE VERY IMPORTANT FOR EACH PERSON SIGNING THIS DOCUMENT TO PLACE THE DATE OF SIGNING IN THE SPACE PROVIDED BELOW THEIR SIGNATURE.**

ENTIRE AGREEMENT/WRITTEN AGREEMENTS ONLY

This Agreement contains the entire agreement between Seller and Buyer. There are no agreements, representations, statements, or understandings which have been relied on by Seller or Buyer which are not stated in this Agreement. **IT IS THE PARTIES' INTENT IN THEIR DEALINGS THAT IF IT IS NOT IN WRITING, IT IS NOT ENFORCEABLE.** This Agreement (and written and signed addenda, if any) cannot be modified, altered, or otherwise amended without a writing being duly signed or initialed, as the case may be, by both Seller and Buyer. The parties agree that facsimile signatures and duly initialed changes are legally enforceable provided the applicable writing contains such signature or initials of all parties to this Agreement.

COUNTERPARTS

Execution and delivery of this Agreement by exchange of electronically scanned and emailed copies bearing the manual signature or electronic signature of a party shall constitute a valid and binding signature. Delivery of this Agreement may be by electronic means such as e-mail or pdf which shall have the same effect as if delivered with original signatures.

ACCORDINGLY, Seller and Buyer have executed this Purchase Agreement as of the date written below.

BOLL FILTER CORPORATION, a Delaware corporation

By: _____

Its: _____

Dated: _____, 2024

CITY OF NOVI

By: Justin Fisher
Its: Mayor
Dated: _____, 2024

By: Cortney Hanson
Its: Clerk
Dated: _____, 2024