

DRAFT FOR COUNCIL DISCUSSION 6.22.26

PURCHASE AGREEMENT

**CITY OF NOVI CONVEYANCE TO
NOVI COMMUNITY SCHOOL DISTRICT**

NOVI COMMUNITY SCHOOL DISTRICT, a Michigan general powers school district, whose address is 25425 Taft Road, Novi, Michigan 48374 (hereinafter referred to as "Purchaser"), hereby offers and agrees to purchase from the **CITY OF NOVI**, a Michigan municipal corporation, whose address is 45175 Ten Mile Road, Novi, Michigan 48375 (hereinafter referred to as "Seller") the following described Premises under the following terms and conditions:

- A. Purchaser is engaged in a project to improve its educational campus at Ten Mile and Taft Roads, which will include a new field house, new athletic practice field, and a competition pool, among other improvements.
- B. The improvements will be placed mostly on property owned by Purchaser, but Purchaser has asked Seller to allow it to acquire an existing area of property owned by Seller for storm drainage purposes, which would allow Purchaser to make the most efficient use of its property without the need to build substantial drainage structures on Purchaser's property.
- C. Seller is amenable to assisting Purchaser as another governmental entity serving the residents of the City of Novi. However, because the portion of Seller's property that is the subject of this Agreement currently serves as a stormwater basin for Seller's larger government campus property, including both existing and planned buildings and structures, a conveyance to Purchaser must include appropriate easement rights that allow Seller to continue to use the property being conveyed to Purchaser under this Agreement for its current and planned government campus uses, including a right to access and maintain the basin, if Seller does not adequately do so, in accordance with this Agreement and the Exhibits, which are incorporated herein.
- D. The parties enter into this Agreement with such intentions in mind.

NOW, THEREFORE, the parties agree as follows:

1. The property being conveyed is situated in the City of Novi, Oakland County, Michigan, and described as follows:

Vacant Land: As depicted on **Exhibit A**, commonly known as the City's drainage area adjacent to Novi High School, and subject to Survey as provided for in Paragraph 5 hereof (the "Premises")

together with all improvements and appurtenances now on the Premises, subject to existing building and use restrictions and easements of record and any restrictions and obligations provided for in this Agreement and its Exhibits. The term "Premises" shall include all real property and all improvements and structures thereon, including all access rights, appurtenances, tenements, and hereditaments thereon.

2. Delivery of the form of Warranty Deed attached hereto and marked as **Exhibit B** conveying fee simple marketable title at Closing. The consideration for the Premises shall be as follows, and at and/or after Closing, as may be applicable, the identified parties agree to perform as follows:

A. Purchaser shall maintain the Premises in a manner that continues to adequately accommodate the drainage needs for the adjacent City property owned by the Seller, at no cost to the Seller, as described in the form of Easement Agreement for Storm Water and Surface Drainage attached hereto as **Exhibit C**;

B. Purchaser shall accommodate future drainage needs of Seller from adjacent City property sufficient to allow development of an additional impervious area as described in the Easement Agreement for Storm Water and Surface Drainage attached hereto as **Exhibit C**, by providing an additional 20,000 cubic feet of storage volume for future expansion of the City's facilities on Seller's/Grantee's property;

C. Purchaser shall improve/beautify/landscape the Premises in connection with Purchaser's intended improvements on Purchaser's property, in accordance with its site plan approved by the department of Licensing and Regulatory Affairs ("LARA"), which site plan will provided to the City for its review and comment a minimum of ten (10) days prior to submitting to LARA for approval, in the spirit of cooperation with the City, but not acquiescing to the City's jurisdiction, except as to the landscaping and beautification of the Premises only, which shall be subject to reasonable administrative review and approval by Seller, which approval shall not be unreasonably withheld; and

D. Seller shall provide to Purchaser an Access/Utility Easement for use of Novi Way Road as described in the form of Easement for Access/Utility Easement as described in the Easement attached hereto as **Exhibit D**.

At Closing, Seller shall deliver to Purchaser exclusive possession of the Premises, subject to the requirements set forth above, including the Easement Agreement for Storm Water and Surface Drainage. Upon Closing, Purchaser shall have the full right to enlarge, deepen, modify, or expand the stormwater basin located on the Premises and on current school district owned property, in accordance with applicable ordinances and statutes, to accommodate future development and expansion on the High School property; however, such right shall be subject to the requirements set forth above, including the Easement Agreement for Storm Water and Surface Drainage. The Closing of this sale shall take place at the office of the School District's Superintendent, or as otherwise agreed to by the parties.

3. In the event of default of the terms and conditions of this Agreement by Purchaser hereunder, Seller may, at its option, elect to enforce the terms hereof by specific performance or declare a breach hereunder and terminate this Agreement.

4. In the event of default of the terms and conditions of this Agreement by Seller hereunder, Purchaser may, at its option, elect to enforce the terms hereof by specific performance or declare a breach hereunder and terminate this Agreement.

5. As evidence of title, Purchaser agrees to furnish Seller as soon as possible, at Purchaser's sole cost and expense, a Commitment for an ALTA Owner's Policy of Title Insurance without the non-survey related standard exceptions (the "Commitment"), issued by First American Title Insurance Company, 5445 Corporate Drive, Suite 175, Troy, Michigan 48098, together with copies of all underlying title exception documents described in such Commitment (the "Title Company"), in an amount of \$25,000.00 and bearing a date later than the acceptance hereof, which policy pursuant thereto to be issued insuring Purchaser (the "Commitment"). Purchaser shall pay the Title Company for the cost of the Title Commitment. The Title Company will also produce the endorsements Purchaser determines are necessary, in Purchaser's sole determination. Purchaser will be responsible for payment of all endorsements that Purchaser determines are needed. Purchaser shall procure during the Inspection Period, at Purchaser's sole cost and expense, an ALTA survey that accurately describes and reflects the Premises and is sufficient for the Title Company to issue a Policy for Title Insurance without the standard exceptions, which Survey shall establish the acreage and legal description for the Premises, as defined in Paragraph 11 below, and as necessary to obtain the Lot Split and Combination required by Paragraph 11(E) below, and that accurately describes and reflects the Premises (the "Survey"). Once said Survey is obtained and accepted by Seller and Purchaser, the legal description in the Survey shall become the legal description of the Premises for purposes of Closing this transaction. If the Survey contains a different legal description than the description identified in the Commitment, at Closing, the parties shall reasonably cooperate with the Title Company to agree upon a description for the Closing. At Closing, Purchaser shall pay for and order a title insurance policy consistent with the Commitment which Seller shall have updated to the date of Closing.

6. If written objection to the Commitment and/or Survey is made by Purchaser that the Commitment and/or Survey is not in the condition required for performance hereunder, the Seller shall have thirty (30) days from the date it is notified in writing of the particular defects claimed either: (1) remedy the defects set forth in said written notice; or (2) terminate this Agreement if unable or unwilling to remedy Purchaser's objections. If Seller advises Purchaser that Seller is unable or unwilling to remedy Purchaser's title/Survey objections, Purchaser shall have the right, as its sole remedies to either: (1) waive its uncured Commitment/Survey objections, in which event this Agreement shall continue in effect; or (2) terminate this Agreement by written notice to Seller, in which event the parties shall have no further obligations or liabilities hereunder. If the Seller is able to remedy such defects within the time specified as evidenced by written notification, revised commitment or endorsement to commitment, the Purchaser agrees to complete the sale within in accordance with Paragraph 11 below.

7. The parties acknowledge and agree that the Premises are not currently subject to any real or personal property taxes. The Purchaser shall be responsible for all transfer taxes, if any, all closing costs, recording fees, and for the cost of any title insurance endorsements requested by Purchaser.

8. This Agreement and all of Purchaser's obligations hereunder are expressly contingent upon all of the following:

A. Purchaser's satisfaction, with the Premises following Purchaser's Surveys, testing, analysis, inspection, and evaluation of the Premises, the improvements thereon, and Purchaser's development and use thereof ("Purchaser's Evaluations"). Purchaser shall have ninety (90) days from after the Date of this Agreement ("Inspection Period"), as may be extended pursuant to Paragraph 8(C) below, in which to conduct such Surveys, investigations, evaluations, and testing of the Premises (both above ground and below ground) as Purchaser deems appropriate in order to determine if the Premises are satisfactory and suitable for Purchaser's intended use and enjoyment.

Purchaser's Evaluations may include, but shall not be limited to: (i) a physical inspection of all aspects of the Premises and all improvements thereon; (ii) an environmental analysis and investigation of the Premises; (iii) a verification that there are no existing special assessments affecting the Premises or any improvements thereon; (iv) investigating the availability and condition of utility and sewage services and systems including, but not limited to, gas, water, electricity, sanitary sewer, storm sewer, septic tank and field feasibility and telephone services and systems; (v) making soil tests, borings and other engineering, environmental and architectural tests and evaluations including, but not limited to, a Phase I or Phase II Environmental Site Assessment ("ESA"); (vi) reviewing and analyzing any leases, if any, that are applicable to the Premises in order to determine if the same are renewable, terminable, assignable, etc. and how the same may affect Purchaser's use of the Premises; (vii) reviewing and analyzing all applicable zoning laws, building and use restrictions, building codes, and all other federal, state, and local statutes, codes, ordinances, rules, and regulations relating to the ownership, development, or use of the Premises and the availability of the zoning the Premises for Purchaser's intended use; and (viii) analyzing the results of any Survey.

B. During the term of the Inspection Period and at all times prior to Closing, Purchaser, its employees, agents, representatives, engineers, inspectors, and surveyors (collectively "Representatives"), shall have the right of access to the Premises at all times for the purposes of performing Purchaser's Evaluations. In the event that Purchaser determines, in Purchaser's sole discretion, that it is dissatisfied with the results of Purchaser's Evaluations, Purchaser may rescind and terminate this Agreement without penalty or liability. All of Purchaser's Evaluations shall be performed at the Purchaser's sole cost and expense. However, if Seller has in its possession any such tests, reports, analysis, leases or surveys relating to the subject Premises it shall provide a copy of the same to Purchaser within ten (10) days from the Date of this Agreement.

C. In the event Purchaser's inspection of the Premises shows that the soil, groundwater, or any portion of the Premises is contaminated, Purchaser may either: i) terminate this Agreement or ii) conduct a Phase II Environmental Assessment of the Premises. Purchaser shall have the right to conduct such Phase II inspection for a period of sixty (60) days following the date of the environmental report establishing such contamination. If the results of the Phase II Environmental Assessment establish contamination, Purchaser may either: i) terminate this

Agreement or ii) prepare a Baseline Environmental Report or any other report necessary for submission to federal, state, or local agencies within sixty (60) days following the date of the Phase II Environmental Assessment Report.

D. Purchaser receiving the following approval (“Approval”) during the Inspection Period:

- (i) Obtain State of Michigan Department of Licensing and Regulatory Affairs (hereinafter “LARA”) approval for its proposed improvements.

E. Contemporaneous with or before Closing, Seller shall complete a lot split/combination through the City of Novi Assessor to separate the Premises from its larger parent parcel (Sidwell No: 22-27-100-010) and combine it with Purchaser’s adjacent real property (Sidwell No: 22-27-100-009), as confirmed by the Survey required in Paragraph 5 (the “Lot Split”).

Purchaser shall diligently and without delay pursue the satisfaction of all contingencies and the Approval specified in this Paragraph 8. In the event that Purchaser is unable to obtain the above-referenced Approval during the Inspection Period, Purchaser and Seller may agree to an Extension Period during which Purchaser shall work expeditiously to obtain such Approval with a reasonable cost solution; provided, however, if such Approval is not obtained within such Extension Period, then either Party may terminate this Agreement and neither Party shall have any liability or responsibility to the other under this Agreement.

9. The Seller represents, warrants, and covenants to Purchaser the following as of the Date of this Agreement and as of the date of Closing:

A. To the best of its knowledge, there is no pending litigation affecting all or any part of the properties, or its interest therein.

B. To the best of its knowledge, there are no unrecorded options, rights of first refusal, licenses, rental agreements, leases, or other rights of occupancy outstanding in respect of the Premises.

C. To the best of its knowledge, there are no underground storage tanks or hazardous or toxic substances existing on, under, above or upon the property as defined in any federal, state, or local law, regulation, rule, statute or directive, nor is there any asbestos or urea formaldehyde foam insulation installed in or upon the properties.

D. Seller will complete Purchaser’s environmental consultant’s standard owner’s questionnaire in pursuance of Purchaser obtaining a Phase I ESA.

E. The Premises are encumbered by two separate agreements from the Land and Water Conservation Fund (“LWCF”), one from 1978 and one from 1980 in connection with grants for recreation improvements. Seller is currently in the process of having the encumbrances removed through a process known as “conversion,” under which the encumbered land is replaced with other

recreational land. Seller represents that, to the best of its knowledge, the LWCF encumbrances do not prohibit the conveyance to the Purchaser.

F. To the best of its knowledge, the existing stormwater basin located on the Premises is currently sized appropriately for the Seller's existing use and is sufficient for its current drainage requirements.

10. The parties acknowledge that the Premises are a required park under the official master plan of the Seller. Seller shall commence the process to remove the Premises from the official master plan of the Seller before or immediately following the Effective Date, in order to allow it to be conveyed to Purchaser, and shall diligently pursue such master plan amendment. If Seller has not completed that process by September 15, 2026, which is a critical date for Purchaser to commence construction, then the Purchaser and Seller may agree to an Extension Period in order to complete the process; provided, however, if such approval is not obtained within such Extension Period, then either Party may terminate this Agreement and neither Party shall have any liability or responsibility to the other under this Agreement.

11. If title can be conveyed in the condition required within this Agreement, and if the Premises have been removed from the master plan as described in Paragraph 10 of this Agreement, Purchaser agrees to complete the sale and close within thirty (30) days of the later of the satisfaction of the conditions listed in Paragraphs 8 and 10 of this Agreement (the "Closing"). At Closing, Seller shall execute and/or deliver or cause to be delivered to Purchaser each of the following instruments and documents: (A) a Closing Statement(s) to be executed by both Seller and Purchaser; (B) FIRPTA certificates, if required; (C) such proof of Seller's authority and authorization to enter into this Agreement and perform Seller's obligations under this Agreement as may be reasonably required by the Title Company; (D) an Owner's Title Affidavit; (E) the Warranty Deed in the form attached hereto as **Exhibit A**; (F) possession of the Premises subject to the Easement Agreement for Storm Water and Surface Drainage described in this Agreement and Exhibits; (G) Legal Description of the Premises before and after the Lot Split and Combination; and (H) such other documents and instruments as may be reasonably required by the Title Company or to carry out the terms and intent of this Agreement. The transaction contemplated by this Purchase Agreement has been negotiated between Seller and Purchaser, this Agreement reflects the mutual agreement of Seller and Purchaser, it being the express intention of Seller and Purchaser that the Premises will be conveyed and transferred to Purchaser in its present "As-Is" condition, including but not limited to its environmental condition. Purchaser understands that, except as set forth in Paragraph 9 of this Agreement, Seller makes no representations or warranties of any kind with respect to the Premises.

12. For the purposes of the transaction contemplated by this Agreement, the "Date of this Agreement" is the date of acknowledgment of the signature of the last party to sign this Purchase Agreement.

13. Whenever in this Agreement it is provided that notice must be given or an act performed or payment made on a certain date, and if such date falls on a Saturday, Sunday, or holiday, the date of the notice of performance or payment shall be the next following business day.

14. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

15. This Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

16. Purchaser and Seller acknowledge that no broker or real estate agency is involved in the negotiation or consummation of this transaction. To the extent permitted by law, each party agrees to indemnify and defend the other and hold the other harmless from any expense, claim or cause of action arising out of such party's breach of the foregoing warranty.

17. This Agreement may be executed in one or more counterparts, all of which together will for all purposes constitute one Agreement binding upon the parties. Facsimile and electronic copies of signatures shall have the same force and effect as original signatures.

18. This Agreement along with all attachments constitutes the entire agreement of the parties regarding the subject matter herein and supersedes and terminates any and all prior or contemporaneous agreements, representations, understandings or dealings between the parties, either oral or written. This Agreement may be amended only by a writing signed by the parties.

PURCHASER:
NOVI COMMUNITY SCHOOL DISTRICT

By: _____

Its: _____

Date: _____

SELLER:
CITY OF NOVI

By: _____

Its: _____

Date: _____

EXHIBIT A

DESCRIPTION OF THE PREMISES

DRAFT

EXHIBIT B

WARRANTY DEED

WARRANTY DEED

This Indenture made the ____ day of _____, 2026 between the City of Novi, a Michigan municipal corporation (hereinafter called the "Grantor"), whose address is 45175 Ten Mile Road, Novi, Michigan 48375, Novi Community School District, a Michigan general powers school district (hereinafter called Grantee"), whose address is 25425 Taft Road, Novi, Michigan 48374. The Grantor hereby conveys and warrants to the Grantee the following described premises situated in the City of Troy, Oakland County, Michigan, described as:

Vacant Land, subject to Survey as provided for in Paragraph 5 hereof (the "Premises"),

Together with all tenements, hereditaments, appurtenances and improvements thereunto belonging or in any way appertaining for the consideration described in the Purchase Agreement entered into by and between the Grantor and the Grantee dated _____, 2026.

Subject only to existing building and use restrictions and easements of record as set forth in the Title Commitment prepared by First American Title Insurance Company, Commitment No. _____, dated _____ and the Easement Agreement for Storm Water and Surface Drainage executed and recorded on the same date as this Warranty Deed.

Grantor grants to Grantee the right to make all legally permissible divisions under Section 108 of the Michigan Land Division Act, being Act No. 288 of the Public Acts of 1967, as amended.

This property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

IN WITNESS WHEREOF, the Grantor has hereunto set his hand the day and year first above written.

**GRANTOR:
CITY OF NOVI**

By: _____

Its: _____

Date: _____

STATE OF MICHIGAN)
)SS
COUNTY OF OAKLAND)

On ____ day of _____, 2026, before me, the undersigned notary public in and for said County, personally appeared _____, _____ of the City of Novi, to me known to be the same person who executed the within instrument on behalf of the City of Novi, and who acknowledges the same to be the free act and deed of the City of Novi.

_____, Notary Public
County, Michigan
Acting in _____ County
My commission expires: _____

This Instrument Drafted By:

Dana L. Abrahams
Clark Hill PLC
220 Park Street, Suite 200
Birmingham, MI 48009

When Recorded Return to:

Dana L. Abrahams
Clark Hill PLC
220 Park Street, Suite 200
Birmingham, MI 48009

Recording Fee: _____

Transfer Tax: _____

Part of Sidwell No: 22-27-100-010

EXHIBIT C

EASEMENT AGREEMENT FOR STORM WATER AND SURFACE DRAINAGE

DRAFT

EXHIBIT D

ACCESS/UTILITY EASEMENT

DRAFT