

AGREEMENT OF SALE

The undersigned, hereinafter designated as the "Purchaser", hereby offers and agrees to purchase (the "Offer") land and premises situated in the City of Ann Arbor, County of Washtenaw, State of Michigan described as follows (the "Property");

See Exhibit "A" attached hereto

and to pay therefor the sum of (the "Purchase Price"):

Two Hundred and Forty Thousand and 00/100 Dollars (\$240,000.00).

1. At Closing, as defined in Paragraph 11 below, in consideration of payment of the Purchase Price in readily available U.S. funds, Seller shall deliver a statutory form Covenant Deed conveying fee simple, marketable title to Purchaser, subject only to existing building and use restrictions and easements of record, if any, and zoning ordinances which are not objected to by Purchaser pursuant to Paragraph 4, below, and Purchaser and Seller shall establish a Reservation of Rights as detailed in Paragraph 6 below. The Purchase Price shall increase 0.75% every ninety (90) calendar days starting ninety (90) days after the expiration of the Contingency Period provided for in Paragraph 16 and until the date of Closing.

COMMITMENT FOR TITLE POLICY:

2. Purchaser has acquired a preliminary title report from ATA National Title Group, LLC (the "Title Company"). The Seller shall deliver to the Purchaser, within five (5) days after the Effective Date of this Agreement of Sale ("Agreement"), a complete commitment for a policy of title insurance, to be issued by the Title Company for an amount not less than the purchase price hereunder, guaranteeing title in the condition required herein, bearing date later than the acceptance hereof which will be accepted as sufficient showing of title. A title insurance policy shall be issued at Closing and the premium therefor shall be paid at Closing by Seller; the parties shall share equally any Closing and escrow fees charged by the Title Company. The title insurance policy shall be issued without "Standard Exceptions".

TIME OF CLOSING – DEFAULT OF PURCHASER OR SELLER:

3. If this Offer is accepted by the Seller, and if title can be conveyed in the condition required hereunder, the Purchaser agrees to complete the sale within twenty-four (24) months following expiration of the Contingency Period provided for in Paragraph 16. As consideration for the extended right to purchase for twenty-four (24) months, and notwithstanding any other terms in this Agreement, Purchaser shall be entitled to retain the Deposit if the date of Closing is not within 270 calendar days of the expiration of the Contingency Period provided for in Paragraph 16. In the event of default by the Purchaser hereunder, the Seller may declare a forfeiture hereunder and retain the Deposit (as defined in Section 8 hereof) as liquidated damages, and this shall be Seller's sole and exclusive remedy. In the event of default by the Seller hereunder so that the purchase is not closed, then Purchaser shall have the right to terminate this Agreement and receive a return of the Deposit or the right of specific performance of this Agreement as its sole and exclusive remedies.

TITLE OBJECTIONS:

4. If objection to the title is made, based upon a written opinion of Purchaser's attorney that the title is not in marketable condition or otherwise satisfactory to Purchaser in its sole discretion, the Seller shall have thirty (30) days from the date that the Seller is notified in writing of the particular defects claimed, to either (1) remedy the title; (2) obtain title insurance as required above; or (3) refund the Deposit in full termination of this Agreement. If the Seller remedies the title or shall obtain such title policy within the time specified, the Purchaser agrees to complete the sale within ten (10) business days of written notification thereof, but not sooner than would otherwise be required under Paragraph 3, above. If the Seller fails to remedy the title or obtain such title insurance or to give the Purchaser the above written notification within said thirty (30) days, the Deposit shall be refunded to Purchaser forthwith in full termination of this Agreement.

POSSESSION:

5. The Seller shall deliver exclusive possession of the Property at the time of Closing to Purchaser subject to the Reservation of Rights, and shall deliver the Property in "AS IS, WHERE IS" condition.

OWNER OCCUPIED:

6. Subject to the Reservation of Rights, if the Seller occupies the Property or any part thereof, it shall be vacated on or before date of Closing unless mutually agreed upon by Purchaser and Seller, in the Covenant Deed, or by the execution of a separate easement agreement between Purchaser and Seller (the "Reservation of Rights"). The Reservation of Rights shall include: (1) a perpetual easement for the Seller, its agents, assigns and successors to maintain, operate and repair the existing stormwater detention facility located at the Property (the "Facility"); (2) Seller shall have the right to access, maintain, alter, abandon, remove, and replace the Facility, including having reasonable access over the Property to exercise such rights; (3) Purchaser shall be prohibited from making any permanent improvements at or below grade or at an elevation lower than 25 feet above the current grade level on the Property, unless approved by Seller; provided, however, if Purchaser elects to stage its dumpsters or other solid waste management equipment at the Property (and such use is separately approved by the City Public Services Area consistent with City of Ann Arbor requirements and policies), Purchaser shall be permitted, at its sole cost and expense, to make reasonable permanent improvements, e.g., reinforcing the underground infrastructure, to the extent necessary to prevent damage to the Facility or material interference with Seller's operation thereof (including, but not limited to, obstructing manhole covers, grates, inlets, or surface elements of the Facility), however, any such improvements may not materially alter Seller's ability or cost to maintain or service the Facility; (4) Purchaser shall reimburse Seller upon demand for Seller's actual costs to repair any damage to the Facility caused by Purchaser's use of the Property; and, (5) Purchaser shall not grant any other license agreement or easement that overlaps with the Reservation of Rights without prior approval from the Seller.

ENCUMBRANCE REMOVAL:

7. Any existing encumbrances upon the Property which the Seller is required to remove under this Offer may be paid and discharged with the purchase money at the time of the consummation of the sale, or if the Purchaser elects, in its sole and exclusive discretion, assumed with corresponding abatement of the purchase price.

TAXES; PRORATED ITEMS:

8. Seller shall pay all real and personal property taxes that are due and payable by the date of the Closing, if any. Purchaser shall pay all real and personal property taxes that are due after the date of the Closing. Seller shall pay all assessments that are levied against the Property on or before the Effective Date of this Agreement, whether due in installments or otherwise, at or before the Closing. After closing, Purchaser shall pay all assessments that are levied against the Premises after the Effective Date of this Agreement. The current real and personal property taxes shall be prorated as of the date of Closing between Seller and Purchaser based on the due year of each taxing authority, and for purposes of the proration the taxes shall be deemed to be paid in advance. The date of Closing shall be attributed to Purchaser.

The expenses for the Property shall be prorated to the date of Closing with the date of Closing attributed to Purchaser. All invoices that have been received by Seller shall be paid before the date of Closing. Invoices for all services and contracts for the Property covering the time period before Closing and the date of Closing that have not been received by Seller before Closing shall be prorated based on good-faith estimates using the invoices for those services and contracts for the immediately prior invoicing period and the prior year's invoicing period for the period of time including the Closing date. For invoices paid before Closing that cover a period of time after Closing, Seller shall receive a credit at Closing for the amount paid for the period of time after Closing. For invoices that will be received after Closing to cover a period of time

before Closing, Purchaser shall receive a credit at Closing for the amount that will be paid after Closing for the period of time before Closing.

TITLE COMPANY'S AUTHORIZATION:

9. Within one (1) business day after the Effective Date of this Purchase Agreement, Purchaser shall deposit the sum of **Twenty Thousand and 00/100 (\$20,000.00) Dollars** (the "Deposit") into escrow with the Title Company, as escrow agent. The Title Company shall promptly acknowledge, in writing, receipt of said Deposit to each of Purchaser and Seller. The Title Company shall retain the Deposit in a non-interest bearing account in an FDIC insured bank for the benefit of Purchaser and Seller, under the provisions of this Agreement and the statutes of the State of Michigan. The Deposit shall be credited upon the Purchase Price if the sale is completed.

ACCEPTANCE TIME:

10. Purchaser and Seller acknowledge that in the absence of a required counter-signature or acknowledgement by either Seller or Purchaser after five (5) business days from the date this Purchase Agreement has been presented to either for acceptance or acknowledgement, the terms shall be deemed rejected and the Purchase Agreement withdrawn without further notice required.

ESCROW CLOSING:

11. Purchaser and Seller shall complete the sale and transfer possession of the Property from Seller to Purchaser at closing (the "Closing"). The Closing of this sale shall take place in escrow with Title Company acting as escrow agent. On or before the date of Closing, Purchaser shall cause to be delivered into escrow with Title Company, the Purchase Price, less the Deposit and plus any other net funds due from Purchaser hereunder, together with all documents required from Purchaser to consummate the transaction. On or before the date of Closing, Seller shall cause to be delivered into escrow with Title Company, all documents required from Seller to consummate the transaction, including but not limited to the executed Covenant Deed and Reservation of Rights.

NOTICES:

12. All notices, deliveries or tenders given or made in connection herewith shall be deemed completed and legally sufficient, only if in writing which is (a) personally delivered at its address below; (b) sent by FedEx or other similar nationally recognized overnight delivery courier to such party at the address; or (c) sent by e-mail transmission to the e-mail addressed below.

Notices shall be given at the following addresses:

If to Purchaser:
CITY OF ANN ARBOR
City Administrator's Office
301 E. Huron Street
PO Box 8647
Ann Arbor, MI 48107
Attn: John Fournier
E-mail: jfournier@a2gov.org

With a copy to:
CITY OF ANN ARBOR
City Attorney's Office
301 E. Huron Street
PO Box 8647
Ann Arbor, MI 48107
Attn: Atleen Kaur
E-mail: akaur@a2gov.org

If to Seller:
BLUESTONE REALTY ADVISORS, LLC
c/o Oxford Property Management, LLC
777 E. Eisenhower Parkway, Suite 850
Ann Arbor, MI 48108
Attn: Legal Department
Phone: 734.747.6000
Email: Legal_group@oxfordcompanies.com

If to Title Company:
ATA NATIONAL TITLE GROUP, LLC
2875 W. Liberty Road
Ann Arbor, MI
Attn: _____
E-mail: _____

13. Payment of the purchase money shall be made at Closing in certified check or federal funds wire transfer to the title company, for disbursement in accordance with the Closing statement between the parties.

14. The covenants herein shall bind the heirs, personal representatives, administrators, executors, assigns and successors of the respective parties.

15. It is understood that the Property is being purchased in its present condition and that it will be maintained and delivered by Seller to Purchaser in substantially the same condition as when this Offer was made.

ADDITIONAL CONDITIONS:

16. Seller shall furnish copies of the latest of any property condition reports, wetlands and environmental studies of the Property in its possession or control, if any ("third party reports"), within five (5) days after acceptance of this Agreement. Commencing on the Effective Date of this Agreement and subject to the terms of Paragraph 19, Purchaser and its agents shall have until **thirty (30)** days after the later of the Effective Date of this Agreement, or the date of receipt of the third party reports (the "Contingency Period") to enter upon the Property and inspect and obtain the following items, all at Purchaser's sole and absolute discretion:

- a) Physical inspection of any and all aspects of the Property.
- b) Any and all other inspections, investigations, and reviews of Seller provided information which Purchaser deems necessary to satisfy itself that the Property is suitable for Purchaser to acquire.
- c) Purchaser's satisfaction with review by its attorney of all materials provided by Seller or otherwise obtained through the course of its inspections.

All such inspections to be completed by Purchaser shall be at Purchaser's sole cost and expense. If Purchaser is unable to satisfy itself of the foregoing contingencies, or is otherwise dissatisfied with the condition of the Property in its sole discretion, Purchaser shall notify Seller in writing before expiration of the contingency period that this Purchase Agreement shall be rescinded and no longer in effect, all the Deposit shall be refunded to the Purchaser forthwith, and the parties hereto shall have no further obligation or liabilities (other than Purchaser's indemnities as set forth in Section 23, below, which shall survive), one to the other. Purchaser shall have no obligation to notify Seller of any reason for such rescission.

In performing the Inspections, Purchaser shall not perform any invasive testing, drilling, or otherwise physically alter the Property except with the prior written consent of Seller. Purchaser shall indemnify, defend, and hold Seller harmless from any claims, including construction, mechanics' or materialmen's liens, expenses, liabilities, damages, losses or injuries, including the costs and expenses of investigation, defending and settling or litigating any claim, and reasonable attorney's fees, arising out of or related to any actions or the presence of Purchaser or Purchaser's Representatives on the Property. In the event any Inspections disturb any portion of the Property, Purchaser shall, at its sole cost and expense, promptly restore the Property to its prior condition. Purchaser's obligations under this Section shall survive the Closing or the termination of this Agreement.

17. In addition to the foregoing, Purchaser acknowledges and agrees that:

- (a) the private stormwater easement recorded in Liber 1086, Page 59, Washtenaw County Records ("Private Stormwater Easement") shall be a permitted exception to title, and Purchaser shall take title to the Property subject to the Private Stormwater Easement, provided that Seller shall provide reasonable cooperation (at no cost or expense to Seller) in the event Purchaser shall seek to relocate and/or otherwise alter the location and/or existence of the Private Stormwater Easement; and
- (b) the Property is currently owned by the Ann Arbor Building Authority (which was formed by Seller), and consistent with the Ann Arbor Building Authority resolution approved on December 12, 2022, Seller shall cause the Building Authority to record a quitclaim deed transferring ownership to Seller prior to the date of Closing.

18. Seller represents and warrants that there are no lawsuits, condemnation proceedings, or environmental investigations, pending or threatened, affecting the Property or Seller's ability to convey same to Purchaser. From the date of this Agreement until the date of Closing, Seller shall maintain the Property in the same manner as the same have heretofore been maintained and shall permit no wasting of the Property. Without first obtaining Purchaser's prior written consent, Seller shall not transfer all or any portion of the Property, create any lien or encumbrance thereon, grant any easements or rights of way, or enter into any contract which is not cancelable on and as of the Closing date. There are no service, maintenance or other contracts or agreements, of any kind or nature, affecting the Property, except those that are cancelable at will and without notice, fee or penalty, or those that concern the Facility. Seller is not a "foreign person" as defined in §1445(f)(3) of the Internal Revenue Code and regulations promulgated thereunder, which Seller shall so certify at Closing.

No improvements, repairs, or other construction has occurred on the Property within the 120 days preceding the date of this Agreement. If any maintenance or repairs are undertaken on the Property between the Effective Date of this Agreement and the date of Closing, Seller shall provide full unconditional waivers of lien from each contractor, subcontractor, supplier, and laborer for all construction work.

Seller has no notice or knowledge of any government agency or court order requiring repairs, alterations, or corrections of any existing conditions.

19. **Financing Commitment.** The purchase and sale of the Property under this Agreement is not dependent upon Purchaser obtaining financing. Purchaser expressly acknowledges and agrees that (a) nothing in this Agreement constitutes a commitment by Seller to finance the purchase and sale of the Property under this Agreement or otherwise to loan or extend any credit to Purchaser, and any such commitment would need to be evidenced by a separate written commitment signed by Seller which expressly so states (and as of the date of this Agreement no such commitment exists), and (b) Purchaser's obligations under this Agreement are not contingent upon Purchaser securing (or Seller providing) any such financing, loans or extensions of credit.

20. **"AS-IS" PURCHASE.** Purchaser warrants and acknowledges to and agrees with Seller that Purchaser is a sophisticated purchaser, familiar with the Property, and that Purchaser is purchasing the Property "AS IS", "WHERE IS" and "WITH ALL FAULTS", with no right of set-off or reduction in the Purchase Price and specifically and expressly without reliance on any warranties, representations or guarantees, whether express, implied or statutory, of any kind, nature, or type whatsoever from or on behalf of Seller, including without limitation, warranties, representations or guarantees with respect to the (a) tax consequences, availability of access, ingress or egress, (b) the quality, character, or condition of the Property, whether latent or patent, (c) merchantability, habitability, utility, tenantability, workmanship, operations, state of maintenance or repair, (d) compliance with federal, state, local or other applicable laws, rules or regulations, or with building or use restrictions, zoning ordinances or other governmental, regulatory or industry standards, (e) suitability or fitness for a particular use, (f) value, profitability, operating history or projections, (g) income potential, operating expenses or uses, (h) safety, (i) plumbing, sewer, heating and electrical systems, roofing, air conditioning, foundations, soils and geology, including the presence of hazardous materials, (j) lot size or acreage, (k) habitability or suitability for occupancy of any structure and

the quality of its construction, or (l) the environmental condition of the Property. Seller does hereby disclaim and renounce, and Purchaser acknowledges and agrees that it is not relying on, any such representations or warranties. Purchaser represents and warrants to Seller that upon expiration of the Inspection Period, Purchaser will have had ample opportunity to make a proper inspection, examination and investigation of the Property to familiarize itself with its condition and that Purchaser will do so to its satisfaction. Purchaser shall have no claim, in law or in equity, based upon the condition of the Property or the failure of the Property to meet any standards. Further, anything in this Agreement to the contrary notwithstanding, in no event shall Seller be liable for actual, incidental, special, exemplary or consequential damages, including, without limitation, loss of profits or revenue, interference with business operations, loss of tenants, lenders, investors, buyers, diminution in value of the Property, or inability to use the Property, due to the condition of the Property.

Seller has not made and does not make in or by this Agreement any representation or warranty about the truth, reliability, accuracy, completeness, or enforceability of any materials, reports and other information about the Property given to Purchaser, if any, prepared by any person or about the qualifications or expertise of any such person, and Purchaser has not relied, and is not relying, upon Seller with respect to any such materials, reports and other information which may have been provided by or on behalf of Seller or otherwise..

21. Seller further warrants and represents (a) that it has the authority to accept this Agreement; (b) that it now holds fee simple title to the Property; (c) that the Purchase Price to be paid hereunder is greater than all outstanding mortgages, liens or other encumbrances which are to be paid off at Closing; and (d) that no insolvency proceeding, including, without limitation, bankruptcy, receivership, reorganization, or arrangement with creditors, voluntary or involuntary, affecting Seller or any of Seller's assets or properties, is now or on the Closing date will be pending or, to the knowledge of Seller, threatened.

22. Each party agrees to execute any additional documents reasonably requested by the other, or by the title insurance company to carry out the intent of this Agreement.

23. Purchaser agrees to indemnify and hold Seller harmless from any claims, suits, damages, costs, losses and any expenses resulting and arising from and out of Purchaser's inspections of the Property herein during the time the Purchase Agreement is in existence. To the extent allowed by law, Seller agrees to indemnify Purchaser for all damages, including actions, suits, judgments, costs, charges, expenses, fines, penalties, attorney fees, and the consequences of any liabilities, that are asserted against or affect the Property or the personal property because of Seller's actions or failure to act before the Closing. Purchaser may set off the amount of any such damage against any amounts Purchaser owes Seller.

24. The representations and warranties as set forth in this Agreement shall be continuing and survive the Closing for a period of six (6) months.

25. The "Date of this Agreement" is the date of acknowledgment of the signature of the last party to sign this Agreement.

26. Headings: The headings of this Agreement are for purposes of reference only and shall not limit or define the meaning of the provisions of this Agreement.

27. Saturdays, Sundays and Holidays: 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.

28. Waiver: 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.

29. Eminent Domain: If before Closing all or any part of the Property is taken or threatened to be taken by eminent domain, Purchaser may terminate this Agreement. If Purchaser terminates, neither Seller nor Purchaser shall have any further obligation to the other and the Deposit will be promptly returned

to Purchaser. If Purchaser does not terminate, this Agreement will remain in effect and Seller will assign to Purchaser all of Seller's rights to receive any awards that may be made for such taking.

30. Cooperation: The parties hereto agree to cooperate with each other in every reasonable way in carrying out the transaction contemplated hereby, in obtaining and delivering all required closing documents, and obtaining the required governmental approvals, and agree to use their best efforts to expeditiously accomplish same. In addition, Seller agrees to cooperate in the platting of said property including, but not limited to signature when required and providing existing documents.

31. Risk of loss: Until the day of Closing and actual exchange of legal title for the consideration to be paid hereunder, all risk of loss with respect to the Property shall be borne by Seller. In the event of destruction or damage to the Property prior to the date of Closing, Purchaser shall, at its option, have the right to declare the transaction to be void and of no further force or effect and Purchaser shall thereupon receive a refund of the Deposit and be relieved of any and all liability hereunder.

32. The City Administrator shall have on behalf of the Seller and in his absolute discretion and without further approval of Seller's City Council, the authority to take any action allowed by Seller under this Agreement, or to extend the time allowed for any time period or Closing date, as may be mutually agreed to by Seller and Purchaser.

33. Seller represents and warrants to Purchaser that it has not used the services of any broker in connection with this transaction. Purchaser represents and warrants to Seller that it has not used the services of any broker in connection with this transaction. Seller shall indemnify and forever save and hold Purchaser harmless from and against claims for brokerage or commissions in connection with this transaction by any person or party claiming by, through or under Seller. Purchaser shall indemnify and forever save and hold Seller harmless from and against claims for brokerage or commission in connection with this transaction by any other person or party claiming by, through or under Purchaser.

34. This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Faxed signatures, or scanned and electronically transmitted signatures, on this Agreement or any notice delivered pursuant to this Agreement, shall be deemed to have the same legal effect as original signatures on this Agreement.

35. At the time of Closing, and not prior to, Purchaser may freely assign this Agreement to an entity to be formed by Purchaser.

[Signatures appear on the following pages.]

IN THE PRESENCE OF:

PURCHASER:

BLUESTONE REALTY ADVISORS, LLC, a Michigan limited liability company

By: _____
Jeff Hauptman, Authorized Representative

Date: _____

ACCEPTANCE OF OFFER:

TO THE ABOVE-NAMED PURCHASER:

The foregoing Offer is hereby accepted and the Seller agrees to sell the Property upon the terms above stated.

By the execution of this instrument, the Seller acknowledges the receipt of a copy of this Agreement.

:

SELLER:

City of Ann Arbor, a Michigan municipal corporation

By: _____
Christopher Taylor, Mayor

By: _____
Jacqueline Beaudry, City Clerk

Date: _____

Approved as to Substance:

Milton Dohoney Jr., City Administrator

Approved as to Form:

Atleen Kaur, City Attorney

PURCHASER'S RECEIPT OF ACCEPTED OFFER "Effective Date":

The Purchaser hereby acknowledges the receipt of the Seller's signed acceptance of the foregoing Offer to Purchase.

PURCHASER:
Bluestone Realty Advisors, LLC, a Michigan limited liability company

By _____
Jeff Hauptman, Authorized Representative

Date: _____

ACKNOWLEDGMENT OF DEPOSIT AND AGREEMENT TO ACT AS ESCROW AGENT:

Received from the above-named Purchaser the earnest money deposit above mentioned, in the amount of Twenty Thousand and 00/100 (\$20,000.00), which will shall be held in accordance with the terms of the foregoing Agreement. Title Company agrees to act as escrow agent for the transactions contemplated hereunder, subject to the terms and conditions set forth herein.

TITLE COMPANY:

ATA National Title Group, LLC, a Michigan limited liability company

By: _____

Name: _____

Its: _____

Date: _____

EXHIBIT A
LEGAL DESCRIPTION

Land situated in the State of Michigan, County of Washtenaw, City of Ann Arbor and being part of Fractional Lots 4 and 5 in Block 1 of R. S. Smith's Second Addition to the City of Ann Arbor, as recorded in Liber 48 of Deeds, Page 40, Washtenaw County Records, more particularly described as the following:

Commencing at the intersection of the West right-of-way line of S. Forest Ave (66 feet wide) and the North right-of-way line of Willard Street (49.5 feet wide), also being the SE corner of Lot 8 of Block 1 of R.S. Smith's Second Addition to the City of Ann Arbor, as recorded in Liber 48 of Deeds, Page 40, Washtenaw County Records; thence N01°04'24"W 198.43 feet along said West right-of-way line of S. Forest Avenue (66 feet wide); thence S88°43'10"W 130.49 feet along the North line of Lot 10 of said Block 1 of R.S. Smith's Second Addition to the City of Ann Arbor to the POINT OF BEGINNING.

thence continuing along said North line of Lot 10, S88°43'10"W 35.12 feet;
thence N01°07'42"W 44.04 feet;
thence N88°42'06"E 35.13 feet;
thence S01°07'03"E 44.06 feet to the POINT OF BEGINNING. Containing 0.036 acres, more or less.