

REQUEST FOR PROPOSALS  
MICHIGAN STATE FAIRGROUNDS PROPERTY  
RFP-Doc-MSF01

**Attachment A**

Offer to Purchase

## OFFER TO PURCHASE REAL PROPERTY

**THIS OFFER TO PURCHASE REAL PROPERTY** (the “Offer”) is entered into between \_\_\_\_\_, a \_\_\_\_\_, (the “Buyer”), and the State of Michigan Land Bank Fast Track Authority (the “Seller”). Buyer agrees to purchase from Seller the land, structures and improvements (the “Property”) located in the City of Detroit, County of Wayne, State of Michigan, commonly known as the former Michigan State Fairgrounds, containing 157.47 acres, more or less, and legally described on the attached Exhibit 1, under the following terms and conditions:

**1. Purchase Price.** Buyer will pay to Seller the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) at Closing. The Property is subject to all applicable building and use restrictions, liens, encumbrances, charges, title exceptions, and easements, if any, affecting the Property.

**2. Irrevocable Offer.** This Offer is irrevocable except as set forth in Paragraph 6 with respect to cancellation during the Inspection Period.

**2.1** The Seller, by executing the acceptance portion hereof and including the same in a response addressed to Buyer pursuant to Section 12. Notices, of this Offer, will cause this Offer, without further action of either party, to become a binding contract for the sale of Property.

**3. Approvals.** Notwithstanding any other provision of this Offer, Buyer acknowledges that sale of the Property must be approved by the State of Michigan Land Bank Fast Track Authority Board of Directors prior to Closing. Seller makes no representation that the State of Michigan Land Bank Fast Track Authority Board of Directors will approve this Offer.

**4. Earnest Money.** Upon execution of this Offer, the Buyer will deliver an earnest money deposit in the form of a cashier’s or certified check in the amount of Twenty Five Thousand Dollars (\$25,000) made payable to the State of Michigan (the “Earnest Money”). The Earnest Money will be credited to the Purchase Price at Closing. Buyer will not be entitled to any interest earned on the Earnest Money.

**4.1** Upon acceptance of this Offer, Fifty percent (50%) is immediately non-refundable. Buyer acknowledges that the Earnest Money is deemed non-refundable and the Buyer will have no right, claim or interest in or to such Earnest Money. Buyer further acknowledges that the balance of the Earnest Money deposit will only be refundable under the conditions set forth in Section 6 and that the full amount of the Earnest Money is non-refundable as liquidated damages in the event of default or failure by Buyer to perform any of its obligations under the terms of this Offer. In the event that the State of Michigan Land Bank Fast Track Authority Board of Directors does not approve the transaction the Earnest Money will be returned in its entirety to the Buyer.

**5. Closing.** The Closing will occur at a location and time agreed upon by both the Seller and Buyer, not more than fifteen (15) calendar days after the State of Michigan Land Bank Fast Track Authority Board of Directors approves the transaction.

**5.1.** The Quitclaim Deed will be prepared by Seller, all other closing documents will be prepared by the buyer. Closing costs and special assessments, if any, will be paid by Buyer.

**5.2.** At Closing, after receipt of the balance of the Purchase Price in the form of a certified check, cashier's check or electronic funds from Buyer, Seller will convey title to the Property by Quitclaim Deed, prepared and approved by the Seller, subject to any liens, charges, actions, encumbrances, restrictive covenant and title exceptions, and subject to the provisions of Public Act 74 of 2012 and Public Act 75 of 2012.

**5.4.** The execution and delivery of the Quitclaim Deed by the Seller will be deemed to be in full performance and discharge of all the terms and conditions of this Offer to be observed or performed by Seller, except those that are stated expressly to survive the Closing.

## **6. Inspection Period.**

**6.1.** Buyer acknowledges that it has had the opportunity for physical inspection of the Property prior to entering into this Agreement, and will accept the Property "AS IS, WHERE IS, WITH ALL FAULTS" that is, in its present condition. It will be the sole responsibility of the Buyer to make its own investigations, studies, tests, reports, and other due diligence inquiries as to the Property as deemed appropriate to Buyer prior to entering into this Agreement.

**6.2.** Seller authorizes Buyer to enter the Property, with prior notification to Seller, to conduct investigations and studies, and Buyer hereby releases Seller of any and all liability associated with entry and inspection, and warrants that it will comply with applicable regulations regarding environmental and other matters. The Buyer will have until 1:00 p.m., December 4, 2012, to conduct investigations and other due diligence inquiries regarding the Property (the "Inspection Period").

**6.3.** After its inspection, if the Buyer is not reasonably satisfied with the results of its investigations and due diligence inquiries, the Buyer, no later than 1:00 p.m., December 4, 2012, may cancel this Offer to Purchase Real Property, at Buyer's sole discretion. If Buyer cancels, it will provide the Seller with copies of any and all its due diligence materials acquired during the Inspection Periods, including but not limited to, environmental reports, surveys, title commitments, and other due diligence materials, and be entitled to a return of Fifty percent (50%) of the original Earnest Money.

**7. Environmental.** Buyer agrees that the Seller assumes no liability or responsibility for the presence of any toxic, hazardous, polluting or injurious substances on, in, or below the Property. Except as expressly stated herein, Seller makes no representations as to any toxic, hazardous,

polluting or injurious substances on, in, or below the Property or any property adjacent to the Property.

**7.1.** Buyer agrees to take no administrative, judicial or other legal action against the Seller because of the existence or discovery of any toxic, hazardous, polluting or injurious substances. Actions include, but are not limited to, any action for contribution, cost recovery, third party action, injunctive relief to compel the Seller to investigate or take remedial action, declaratory relief, damages, or any action associated with any obligations the Buyer may have to comply with federal, state or local law in conjunction with the investigation, removal, or abatement of any toxic, hazardous, polluting or injurious substance, including but not limited to asbestos or asbestos-containing materials. Buyer agrees to release and hold harmless the Seller from any and all existing and future claims related to the existence or discovery of any toxic, hazardous, polluting or injurious materials in, on, below or emanating from the Property.

**7.2.** Buyer agrees to indemnify the Seller and to hold the Seller harmless if any hazardous, polluting, injurious, or toxic substances exist, are discovered in, on, below, or emanating from the Property or their condition is exacerbated by the Buyer.

**7.3.** Seller makes no representation or warranty as to the truth, accuracy or completeness of any materials, data or information delivered or made available by Seller to Buyer in connection with the sale of the Property. Buyer acknowledges and agrees that all materials, data and information delivered or made available by Seller to Buyer are provided as a convenience only and that any reliance on or use of such materials, data or information by Buyer will be at the sole risk of Buyer.

**7.4.** Without limiting the foregoing provisions, Buyer acknowledges and agrees that (a) any environmental or other report regarding the Property which is delivered or made available by Seller to Buyer will be for general informational purposes only, (b) Buyer will not have any right to rely on such report delivered or made available by Seller to Buyer, but rather will rely on its own inspections and investigations of the Property and any reports commissioned by Buyer with respect thereto, (c) neither Seller nor the person or entity which prepared any such report delivered or made available by Seller to Buyer will have any liability to Buyer for any inaccuracy in or omission from any such report, and (d) Buyer will assume all liability and costs associated with federal, state and/or local environmental laws or regulations.

**8. Property Survey.** The survey dated December 12, 2000, by Enger Surveying and Engineering, is the survey of record and will govern the Closing. Buyer may, at Buyer's expense, obtain an independent survey of the Property.

**9. Title Insurance.** Buyer is responsible for the costs of issuance of a title insurance policy, to be obtained at the discretion of Buyer.

**10. Zoning, Safety and Regulatory Compliance.** When title passes to the Buyer at Closing, the Property will immediately become subject to certain State safety and regulatory laws and to

certain local ordinances and regulations (including zoning and use requirements) to which the Property was not previously subject to because it was owned by the State. Buyer acknowledges that in certain substantial respects the Property may not comply with such statutes, rules, ordinances and regulations and may have to be substantially altered or repaired to become compliant. Buyer acknowledges that it will comply with all zoning and use requirements. The Buyer acknowledges that the Seller is under no obligation to take any action to bring the Property into compliance with such statutes, and that the Buyer has had the opportunity to make a personal inspection of the Property. The Buyer further acknowledges that it is the Buyer's responsibility to consult with all State and local regulatory agencies, which have and will continue to have, or will obtain jurisdiction.

**11. Fees and Commissions.** If any person asserts a claim to a fee, commission or other compensation in relation to this transaction, as a broker, finder, or other capacity or for performance of services as a broker or finder in connection with this Offer, the Buyer will (a) indemnify, defend and hold harmless the Seller against and from any such claim and all costs, expenses and liabilities incurred in connection with such claim or any action or proceeding brought thereon (including without limitation, any and all attorney fees and costs incurred in defending against such claim) and (b) satisfy promptly any settlement or judgment arising from any such claim or any action or proceeding brought thereon. Buyer acknowledges that Seller has not used the services of a broker in connection with this transaction.

**12. Notices.** Notices under this Offer must be delivered to:

Buyer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Seller:

State of Michigan Land Bank Fast Track Authority  
Attn: Kim Homan, Executive Director  
300 N. Washington Square  
Lansing, MI 48913.

Facsimile or electronic notices will not be accepted.

**13. Buyer Representations and Warranties.** Buyer represents and warrants to Seller:

**13.1.** Buyer has the full right, power and authority to purchase the Property as provided in this Offer and to carry out Buyer's obligations hereunder, and all requisite action necessary to authorize Buyer to enter into this Offer and to carry out its obligations hereunder have been, or by the Closing will have been, taken. The person signing this Offer on behalf of Buyer is authorized to do so.

**13.2.** There is no action, suit, arbitration, unsatisfied order or judgment, government investigation or proceeding pending against Buyer which, if adversely determined, could interfere with the consummation of the transaction contemplated by this Offer.

**13.3.** The representation and warranties of Buyer will survive Closing.

#### **14. Public Policy Provisions.**

**14.1. Nondiscrimination.** Pursuant to MCL 37.2209 and MCL 37.1209, Buyer will comply with the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101 et seq.; the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101 et seq.; and all other federal, state and local fair employment practices and equal opportunity laws and covenants that it will not discriminate against any employee or applicant for employment, to be employed in the performance of this Offer, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Buyer agrees to include in every subcontract entered into for the performance of this Offer this covenant not to discriminate in employment. A breach of this covenant will constitute a material breach of a contract arising out of this Offer.

**14.2. Unfair Labor Practices.** Pursuant to MCL 423.324, the State may void a contract if Buyer or any of its contractors, subcontractors, manufacturers, or suppliers appear in the register compiled pursuant to 1980 PA 278, MCL 423.321 et seq. A breach of this covenant will constitute a material breach of a contract arising out of this Offer.

**15. Termination.** If the Buyer fails to perform any of its obligations under this Offer, the Seller will provide written notice of default to the Buyer. If the Buyer fails to cure within thirty (30) days after the Seller's written notice, Seller may terminate this Offer and any monies paid hereunder may be retained by the Seller as liquidated damages.

#### **16. Miscellaneous Provisions.**

**16.1.** It is expressly understood and agreed that neither the Seller nor the Buyer may assign its interest under this Offer or any portion thereof without the prior written consent of the other party, its successors or assigns.

**16.2.** Prior to Closing, any news releases or other media releases to the public of information with respect to the sale of the Property or any matters set forth in this Offer will be made only in the form approved by Seller in writing.

**16.3.** Each provision of this Offer is severable from all other provisions of the Offer and, if one or more of the provisions of the Offer is declared invalid, the remaining provisions of this Offer will remain in full force and effect.

**16.4.** This Offer may be changed or modified only if in writing and signed by both parties.

**16.5.** Each party will, without further consideration, execute and deliver such other documents and take such other action, whether prior or subsequent to Closing, as may be reasonably requested by the other party to consummate more effectively this Offer. Without limiting the generality of the foregoing, Buyer will, if requested by Seller, execute acknowledgments of receipt with respect to any materials delivered by Seller to Buyer with respect to the Property. The provisions of this Section will survive Closing.

**16.6.** The provisions of this Offer and of the documents to be executed and delivered at Closing are and will be for the benefit of Seller and Buyer only and are not for the benefit of any third party. Accordingly, no third party will have the right to enforce the provisions of this Offer or of the documents to be executed and delivered at Closing.

**16.7.** This Offer may be executed in any number of counterparts, each of which will be deemed an original, and all of which when taken together, will constitute the same instrument.

**16.8.** Captions and headings used in this Offer are for information and organizational purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of this Offer.

**16.9.** Except as expressly stated herein, Seller makes no representation or warranty as to the truth, accuracy or completeness of any materials, data or information delivered or made available by Seller to Buyer in connection with the transaction contemplated hereby. Buyer acknowledges and agrees that all materials, data and information delivered or made available by Seller to Buyer in connection with the transaction contemplated hereby are provided to Buyer as a convenience only and that any reliance on or use of such materials, data or information by Buyer will be at the sole risk of Buyer, except as otherwise expressly stated herein. Without limiting the generality of the foregoing provisions, Buyer acknowledges and agrees that (a) any environmental or other report with respect to the Property which is delivered or made available by Seller to Buyer will be for general informational purposes only, (b) Buyer will not have any right to rely on such report delivered or made available by Seller to Buyer, but rather will rely on its own inspections and investigations of the Property and any reports commissioned by Buyer with respect thereto, (c) neither Seller nor the person or entity which prepared any such report delivered or made available by Seller to Buyer will have any liability to Buyer for any inaccuracy in or omission from any such report, and (d) Buyer will assume all liability and costs associated with federal, state and/or local environmental laws or regulations.

**17. Governing Law.** This Offer is governed by, and construed in accordance with, the laws of the State of Michigan.

**18. Entire Agreement.** This instrument constitutes the entire agreement between the Seller and the Buyer, and there are no other terms, conditions, promises, understandings, statements or representations, express or implied, oral or written, concerning the transaction contemplated hereunder. This Offer will inure to the benefit of and bind both parties and their respective agents, representatives, successors and assigns.

**19. Effective Date.** The Effective Date of this Offer will be the date signed as accepted by the Executive Director of the State of Michigan Land Bank Fast Track Authority.

BUYER:

\_\_\_\_\_ [Name of Entity (Please Print)]

\_\_\_\_\_ [Signature]

By: \_\_\_\_\_ [Name (Please Print)]

Its: \_\_\_\_\_ [Title]

Date: \_\_\_\_\_

**ACCEPTANCE:**

On this \_\_\_\_\_ day of \_\_\_\_\_, 2012, the State of Michigan, by its Land Bank Fast Track Authority acting pursuant to Public Acts 258 of 2003; 74 of 2012; and 75 of 2012, accepts the foregoing Offer according to its terms.

STATE OF MICHIGAN  
LAND BANK FAST TRACK AUTHORITY

\_\_\_\_\_

By: Kim Homan

Its: Executive Director

Date: \_\_\_\_\_

**EXHIBIT 1**  
**MICHIGAN STATE FAIRGROUNDS**  
**LAND DESCRIPTION**

A parcel of land in the NE 1/4, NW 1/4 & SE 1/4 of Section 2 and the NE 1/4 of Section 3, T1S R11E, City of Detroit, Wayne County, Michigan and more particularly described as commencing at the Northwest corner of said Section 2; thence S01°59'26"E, 33.00 feet to the North line of Germans Montrose Park Subdivision and the south right of way of Eight Mile Road; thence N88°00'34"E, 1323.68 feet, on the north line of Germans Montrose Subdivision to the Northeast corner of said Subdivision and the Point of Beginning of this description; thence N88°00'34"E, on the South right of way line of Eight Mile Road, 1249.15 feet, to the Southwesterly right of way of the Grand Trunk Western Railroad; thence on said right of way on the next five calls; thence S31°13'25" E, 169.96 feet; thence S44°18'21"E, 110.43 feet; thence S31°13'25"E, 2503.17 feet; thence S01°15'10"E, 40.04 feet; thence S31°13'25"E, 226.77 feet to the centerline of State Fair Avenue and the E-W 1/4 line of said Section 2; thence N89°08'56"E, on said E-W 1/4 Line, 17.39 feet; thence S31°13'25"E, on the westerly line of the Grand Trunk Westerly Railroad, 317.18 feet; thence S88°52'19"W, 280.64 feet; thence N01°19'28"W, 275.02 feet to the E-W 1/4 line of said Section 2; thence S89°08'56"W, 1319.94 feet, on said E-W 1/4 line and centerline of State Fair Avenue to the center of said Section 2; thence S88°32'46"W, 1290.77 feet, on said E-W 1/4 line and centerline of State Fair Avenue; thence N01°32'55"W, 33.00 feet to the North line of State Fair Avenue; thence S88°32'46"W, 692.91 feet, on the North line of State Fair Avenue to the Northeast right of way line of Woodward Avenue; thence N26°34'10"W, on said Woodward Avenue right of way, 400.14 feet: thence along the boundary of the DNR Pocket Park the following five calls: thence N88°09'24"E, 291.51 feet; thence N00°25'49", 252.35 feet; thence S88°45'56"W, 169.82 feet; thence N01°14'04"W, 13.00 feet thence S88°25'45"W; 251.61 feet to the Northeast right of way line of Woodward Avenue; thence N26°34'10"W, 1033.60 feet, on said Woodward Avenue right of way to the Southwest corner of lot #24, Plat of State Fair Subdivision #2; thence N88°21'23"E, 1382.91 feet, on the south line of said State Fair Subdivision #2; thence N01°41'24"W, 1008.30 feet, on the East line of said State Fair Subdivision #2 & the East line of said Germans Montrose Park Subdivision to the point of beginning, containing 157.47 acres.

Property subject to the retention of a 150 foot wide by 1000 foot long parcel along the west boundary of the railroad right of way.