



Purchase License Agreement Residential Lot Sale Program

This agreement is made and entered into this day of _____ day of _____, 202__, by and between (XXXXXXXXXXXXXXXXXX), hereafter referred to as the "DEVELOPER", and the CITY OF HAMTRAMCK, hereafter referred to as the "City".

The CITY has considered development of certain real property located in the City of Hamtramck, Wayne County, Michigan, being more particularly described in Exhibit A attached hereto (the Property). In consideration of the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed as follows:

1. ADVANCE

The Advance of Five Hundred Dollars (\$500.00) deposited with the City by the Developer prior to the execution of this Agreement is to be held by the City as security for the performance of the obligations of the Developer contained herein. Upon the issuance of the Certificate of Completion, the Advance will be returned to the Developer without interest. In the event that Developer does not satisfy the requirements for issuance of the Certificate of Completion in accordance with the terms of this Agreement, the City is entitled to retain the Advance in whole or in part, in the City's discretion, without rebate to the Developer in partial settlement of any claims it may have against the Developer for breach of this Agreement.,

2. GRANT OF OPTION

The CITY grants a 1-year Option to DEVELOPER for DEVELOPER to construct one or more residential units on the Property. The Option shall start upon DEVELOPER depositing the ADVANCE with the CITY and transmitting Notice of Commencement to the CITY which includes their selection of one or more lots for construction and demonstrates the DEVELOPER'S financial capacity to proceed with construction. Notice of Commencement shall be transmitted within 30 days of execution of this Agreement, or this Agreement shall terminate. The CITY shall acknowledge receipt of the Notice of Commencement within 3 days of receipt as confirmation of transmittal.

The Option is renewable by DEVELOPER upon successful construction and closing on sale of all developed residential units for which they have transmitted a Notice of Commencement on or before 1 year from the date such Notice of Commencement was transmitted. To renew the Option, DEVELOPER shall meet the following Renewal Terms:

- A. Present the CITY with a document package for each and every parcel or lot which includes sworn statement(s) for construction, sale, and closing, certified by a third party unaffiliated to DEVELOPER.
- B. Transmit a new Notice of Commencement for the one or more parcels or lots DEVELOPER wishes to next select for construction, sale, and closing.

- C. Present a new consideration amount of \$100.00 with its new Notice of Commencement.

The CITY shall acknowledge receipt of the Notice of Commencement within 3 days of receipt as confirmation of transmittal. If a new Notice of Commencement is not received by the CITY on or before 1 year from the date Notice of Commencement was transmitted, this Agreement shall terminate. The parties may terminate any Option period upon providing a 60-day notice.

Provided it meets the Renewal Terms, renewal of the Option by DEVELOPER for subsequent selection of additional parcels or lots shall be available to DEVELOPER until all parcels or lots have been constructed, sold, and closed.

3. DEVELOPER GRANT OF LICENSE AND OBLIGATIONS

Upon receipt of acknowledgement from the CITY of a Notice of Commencement, DEVELOPER shall be automatically granted a License by the CITY to enter onto the one or more parcels or lots subject to said Notice of Commencement and endeavor to plan, permit, construct, market, and sell residential structures on such parcels or lots. DEVELOPER agrees to assume all costs incurred for planning, permitting, and construction of all required public and private improvements necessary for the development of the parcels or lots.

The License shall run concurrently with the 1-year option period subject to the Notice of Commencement. In return for the License, DEVELOPER indemnifies and holds harmless the CITY for any liability related in any way to DEVELOPER's planning, permitting, construction, marketing, and sale activities, as well as other indemnities listed below. DEVELOPER shall purchase and maintain liability and builder's risk insurance policies at all times during any and all option periods, name the CITY as an insured party to said policies, and present copies to the CITY with all Notices of Commencement.

If DEVELOPER does not construct, sell, and close on buildings, land improvements, public infrastructure, and maintain insurance for all lots on or before 1 year from transmittal and acknowledgement of any Notice of Commencement, any advance or security posted by DEVELOPER will be forfeited and the CITY shall take possession of the buildings, land improvements, and infrastructure, terminate this Agreement, and retain all sums of money paid. For delays beyond the control of DEVELOPER, the 1-year period will be extended in an amount equal to the time lost due to such delay, as is set forth in Clause ___.

4. LAND PRICE AND CLOSING

For any closing on sale and transfer of any and all parcels or lots by DEVELOPER to a home purchaser, DEVELOPER shall prepare the necessary conveyance documents to transfer title of the lot from the CITY to said home purchaser and forward them to the CITY for the CITY's review at least 10 days before the scheduled date of the closing. At each closing, the CITY shall receive a sum of \$10,000.00 or an agreed upon price based on an independent appraisal (at applicants expense) for the true market land value of the

lot. The CITY shall not be responsible for costs of recording or any condominium association assessments, fees or charges.

5. TAXES AND ASSESSMENTS

5.01 Property on Tax Rolls at Closing. In the event that the Property is on the tax rolls at the date of Closing, all taxes and assessments which have become a lien upon the Property at the date of Closing shall be paid by the City provided that current City and County taxes shall be prorated and adjusted to the date of Closing or transfer of possession, whichever is earlier, on a due date basis.

5.02 Property Not on Tax Rolls at Closing. In the event that the Property is not on the tax rolls at the date of Closing, the Developer agrees to pay to the City at Closing an amount equal to the ad valorem taxes which would have been levied had the Property been on the tax rolls, prorated from the date of Closing or transfer of possession, whichever is earlier, to the dates when the next tax bills are issued after the date the Property is placed back on the tax rolls. The Property will be placed back on the tax rolls as of December 31 of the year in which the Closing or transfer of possession takes place. For example, if the date of Closing or transfer of possession is on or before December 31, 2020, the Property would be placed back on the tax rolls effective December 31, 2020, and the next tax bills issued would be July 1, 2021 for the summer taxes and December 1, 2021 for the winter taxes. The payment for taxes would be prorated to June 30, 2021 and November 30, 2021, respectively. If the date of Closing and transfer of possession take place on or after January 1, 2021, the Property will not be placed on the tax rolls until December 31, 2021, and tax bills will not be issued until July 1 and December 1, 2022. In that case, the payment for taxes would be prorated to June 30 and November 30, 2022

6. TESTS AND SURVEYANCE; CONDITION OF PROPERTY

6.01 Surveying and Testing. The City shall, prior to the transfer of possession or title, permit the Developer to make soil boring and bearing tests and detailed surveying activities on the Property, including such environmental due diligence as the Developer deems appropriate, provided such work does not interfere with demolition or site improvement activities of the City or the business use of any tenant in possession, if any. All such testing shall be done at the risk and expense of Developer. The Developer shall submit to the City a copy of each survey or report generated as a result of such activities. Prior to entering onto the Property for such purposes, the Developer shall (a) obtain a right of entry letter from CEDD, (b) execute the right of entry letter, and (c) comply with all conditions and requirements stated in the right of entry letter.

6.02 Condition of Property. The Developer takes the Property as it finds it, "AS IS", and the City makes no implied or express representations or warranties as to its fitness for absolutely any purpose whatsoever, including but not limited to the proposed use(s) set forth in this Agreement, or otherwise. By executing this Agreement, the Developer acknowledges that it is satisfied with the condition of the Property, subject only to inspection of the Property, review of title, and the results of the tests, investigations, and surveys permitted under Section 6.01, above. If the Developer fails to obtain such test results, investigations, and surveys prior to Closing, or fails to object to the condition of

the Property based upon the results of such tests, investigations or surveys, or fails to deliver copies of such tests, investigations and surveys to the City, the Developer shall be deemed to have waived any right to object to the condition of the Property and shall be deemed to have declared its full satisfaction with the condition of the Property.

6.03 Release of City from Liability; Indemnification. The Developer hereby releases the City and its officials, employees, and agents (but not any third party) from any and all liability for any defects in or conditions of the Property, including but not limited to any surface, subsurface, latent or patent conditions whether naturally occurring or by action of any party, or conditions currently existing thereon, including but not limited to conditions described in Section 13.05, but subject to Section 13.05. Subject to Section 13.05, the Developer hereby expressly agrees to and shall indemnify and hold the City harmless from any claims by it or any other party for any personal injury or other loss resulting from any such Property conditions which occur or accrue after the date of possession or Closing, whichever is earlier.

7. PERFORMANCE OF CONSTRUCTION

7.01 Commencement and Completion. The Developer shall promptly begin and diligently complete the development of the Property throughout the construction of the Improvements thereon. Construction shall be completed within 12 months or 365 days from the receipt of the Notice of Commencement.

7.02 Certificate of Completion.

a. Subsequent to the proper completion of the Improvements in accordance with the provisions of this Agreement, the City shall furnish the Developer with an instrument certifying such completion (herein called the "Certificate of Completion"). Upon written request by the Developer, the Property may be divided into several parts or parcels, provided that such subdivision, in the opinion of the City, is not inconsistent with the purposes of the Development Plan and this Agreement. At its sole discretion, the City may furnish the Developer with individual Certificates of Completion upon proper completion of the Improvements relating to any such part or parcel.

b. When the Developer considers all Project work required hereunder to be complete, in conformance with this Agreement, and ready for final inspection, it shall so notify the Director of the CITY's Community Economic Development Department ("CEDD") (herein called the "Director"). Within thirty (30) days of such written notification, the Director will thereafter make or cause to be made such inspection. If, upon such inspection, the Director finds the entire work not fully completed or portions not acceptable under the terms and conditions of this Agreement, the Director will so notify the Developer in writing indicating in detail in what respects the Developer has failed to complete the Improvements in accordance with this Agreement or is otherwise in Default, and what measures and acts the Developer must take or perform in order to cure such nonconformity or Default. The Developer shall thereafter promptly complete the Improvements in accordance with such directive so as to conform the construction of the Improvements as required by this Agreement.

c. Upon the Director's determination that the Project is complete and in conformance with all provisions and requirements of this Agreement, the Director shall issue the Certificate of Completion.

d. Except as may be stated therein, the Certificate of Completion shall be a conclusive acknowledgement by CEDD of satisfaction by the Developer of its obligations under this Agreement for the portion of the Property addressed by the Certificate of Completion, except as provided in Sections 7.01b, 7.01c and 7.01d hereof. The Certificate of Completion shall not, however, constitute evidence of compliance with or satisfaction of (1) any obligation of the Developer to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the Improvements, or any part thereof, or (2) the requirements of any department, agency or entity with respect to any building, occupancy, or other permits.

e. The Certificate of Completion shall be in such form as can be recorded against the Property. The cost of recording the Certificate of Completion shall be the responsibility of the Developer. f. In the Director's discretion, Certificates of Completion may be given for each phase if the Project is developed in phases.

8. COST OF CONSTRUCTION. The Developer shall be solely responsible for and shall pay in a timely manner all costs and expenses of whatsoever kind or nature constituting the cost of construction of the Improvements and development of the Project.

9. INABILITY TO OBTAIN FINANCING OR PERMITS

9.01 Prior to Conveyance.

In the event that, prior to conveyance of the Property by the City, the Developer shall be unable, after diligent effort, to obtain financing to construct the Improvements, as determined within the reasonable discretion of the City, on terms that would generally be considered satisfactory by builders or contractors for Improvements of the nature and type provided in the Construction Plans, then this Agreement shall be canceled in accordance with Section 9.03.

9.02 Inability to Obtain Permits, Zoning Variances.

In the event that (a) the Developer shall notify the City that it has been unable, after diligent effort, to obtain permits to allow for the uses it will make of the Property or the construction of Improvements; or (b) under the zoning ordinances the Property cannot be used for the purposes and/or uses set forth in this Agreement and the Developer, after diligent effort, has been unable to obtain the necessary zoning variances or approvals, then this Agreement shall be canceled in accordance with Section 9.03.

9.03 Cancellation.

In the event of cancellation of all or any part of this Agreement as specified above, the City shall refund a proportionate amount of the Advance and Purchase Price paid, without interest, as to the part canceled with a deduction for any damages the City sustains to

return the Property to the condition before the Developer's entry upon the Property. The Developer agrees that upon notification of cancellation of this Agreement, or any part thereof, it will immediately execute and deliver a cancellation of License and Option Agreement to the City as to the Parcel(s) canceled, receipt of which shall be a condition to refunding the Advance. Otherwise, the CITY may execute and send such a document to Developer. Upon such cancellation neither the City nor the Developer shall have any further rights against or liability to the other under this Agreement with respect to conveyancing or development of the Property.

10. DEFAULTS AND EVENTS OF DEFAULT

10.01 Default by Developer.

The occurrence of any one or more of the following events shall constitute a Default of this Agreement by the Developer:

- a. The Developer violates its obligation with respect to the construction of the Improvements, as specified in this Agreement.
- b. The Developer violates any of the terms and conditions of this Agreement, except as otherwise provided in this Section 10.01 and the Developer fails to cure same within thirty (30) days after written notice by the City to correct said Default.
- c. The Developer does not acquire the Property pursuant to a Closing in accordance with this Agreement.
- d. The Developer fails to pay real estate taxes or assessments on the Property or any part thereof when due, or places thereon any Encumbrance unauthorized by this Agreement, or suffers any levy or attachment to be made, or any materialman's, mechanic's, or construction lien or any other unauthorized Encumbrance to attach.
- e. There is any transfer of all or any part of the Property or of any right or interest in all or any part of the Property.
- f. The Developer admits in writing its inability to pay its debts generally as they become due, or the Developer ceases to conduct business in the normal course by reason of any of the following: (i) The making by the Developer of any general arrangement or general assignment for the benefit of creditors; (ii) the Developer becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against the Developer, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of the Developer's assets located at the Property or of the Developer's interest in this Agreement, where possession is not restored to the Developer within sixty (60) days; (iv) the attachment, execution or other judicial seizure of substantially all of the Developer's assets located at the Property or of the Developer's interest in this Agreement, where such seizure is not discharged within sixty (60) days; or (v) its voluntary or involuntary dissolution. In the event

that any provision of this subsection is contrary to any applicable law, such provision shall be of no force or effect.

- g. The Developer violates any of the terms and conditions of this Agreement, except as otherwise provided in this Section 10.01 and the Developer fails to cure same within thirty (30) days after written notice by the City to correct said Default.
- h. The Developer does not acquire the Property pursuant to a Closing in accordance with this Agreement.

10.02 Failure to Cure Default.

Any such Default on the part of the Developer as set forth in Section 10.01 and the failure of the Developer to cure such Default within ninety (90) days after written demand by the City to correct said Default in the case of Subsections 10.01a, 10.01b, and 10.01c or within thirty (30) days after written demand by the City to correct said Default for Subsection 10.01f shall be deemed to constitute an Event of Default, provided, however, that if the nature of the Developer's Default is such that more than the cure period provided is reasonably required for its cure, then the Developer shall not be deemed to be in default if the Developer commences such cure within said period and thereafter diligently pursues such cure to completion. In the event the Developer is in good faith contesting any amount due under Subsection 10.01b, the Developer may, in lieu of paying said amount, deposit said amount in an escrow account which shall be disbursed upon the resolution of the dispute, or if the amount relates to a construction lien, the Developer may bond over the lien in the manner prescribed by law. Defaults pursuant to Subsections 10.01d, 10.01e, and 10.01g are hereby deemed to be material, non-curable Events of Default without the necessity of any notice by the City to the Developer thereof. The City may, in its sole discretion, waive in writing any Default or Event of Default by the Developer.

11. REMEDIES

11.01 Prior to Conveyance.

Upon an Event of Default prior to conveyance of the Property, this Agreement and any rights of the Developer arising hereunder or otherwise with respect to the City or the Property, may, at the option of the City, be terminated by the City, except as to parcels previously conveyed where a Certificate of Completion has been issued by the City. In the event of such termination, the Advance may be retained by the City as its property without any deduction, offset, or recoupment whatsoever.

11.02 Vacation of Property.

The Developer further acknowledges that any delay or failure to vacate the Property no later than thirty (30) days after title to the Property has vested back in the City via written termination of the License and the City has given notice thereof to the Developer will cause irreparable injury to the City not adequately compensable in damages and for which the City has no adequate remedy at law. The Developer accordingly agrees that

the City may in such event seek and obtain injunctive relief in a court of competent jurisdiction to compel the Developer to vacate and abandon such Property, as well as liquidated damages in the amount of 150% of the City's standard rental rate per day for each day of such failure or delay.

11.03 Reimbursement of Costs.

The Developer shall reimburse the City for its expenses, including reasonable attorney fees (whether inside or outside counsel), incurred by the City in connection with the enforcement of or the preservation of any rights under this Agreement including, but not limited to, any costs, damages, and expenses related to the recapture, management and resale of the Property.

12. RESTRICTION UPON SPECULATION AND ASSIGNMENT

12.01 No Speculation.

The Developer represents that its purchase of the Property and its other undertakings pursuant to this Agreement are for the purpose of development of the Property in accordance herewith and not for speculation.

12.02 Limitation Upon Encumbrance of Property.

Prior to the completion of the Improvements, as certified by the City, neither the Developer nor any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any mortgage or other Encumbrance upon the Property, whether by express agreement or operation of law, or suffer any Encumbrance to be made on or attach to the Property.

13. INDEMNITY

13.01 Developer Indemnifications.

The Developer agrees to and shall indemnify and save harmless the City, its agents and employees against and from any and all liabilities, obligations, damages, penalties, claims, costs, charges, losses and expenses (including without limitation, fees and expenses of attorneys, whether inside or outside counsel, expert witnesses and other consultants) which may be imposed upon, incurred by or asserted against the City by reason of any of the following occurring during the term of this Agreement:

a. any negligent or tortious act or omission of the Developer or Associates resulting in personal injury, bodily injury, sickness, disease or death, or injury to or destruction of tangible property including the loss of use therefrom; or

b. any failure by the Developer or Associates to perform their obligations either implied or expressed under this Agreement. The Developer also agrees to hold the City harmless from any and all injury to the person or damage to the property of, or any loss or expense

incurred by, an employee of the City which arises out of or pursuant to this Agreement or any contract entered into by the Developer.

The Developer also agrees to hold the City harmless from any and all injury to the person or damage to the property of, or any loss or expense incurred by, an employee of the City which arises out of or pursuant to this Agreement or any contract entered into by the Developer.

13.02 Defense of Claims.

In the event any action or proceeding shall be brought against the City by reason of any claim covered hereunder, the Developer, upon notice from the City, will at its sole cost and expense, resist and defend the same, using legal counsel reasonably acceptable to the City.

13.03 Safeguarding Property.

The Developer agrees that it is its responsibility and/or that of its Associates and not the responsibility of the City to safeguard the property and materials that the Developer or Associates use or have in their possession while performing under this Agreement. Further, the Developer agrees to hold the City harmless for any loss of such property and materials used by any such persons pursuant to the performance of this Agreement or which is in their possession.

13.04 Non-Liability of the City.

The City shall not be responsible or liable to the Developer, and the Developer hereby releases the City from liability, for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying any part of the Property. The Developer shall be solely responsible for all injuries to persons and property resulting from any accident, explosion, leak or other cause arising in or about the use of the Property and its appurtenances, as hereinbefore stated. The City shall not be responsible for any loss or damage resulting to the Developer or its property or to any other person or persons on their property which may be caused by the bursting, stopping, or leaking of water, gas, sewer or steam pipes or from overflow or backing up of any sewer or water main, unless caused by the City's gross negligence or willful misconduct.

13.05 Hazardous Materials.

a. Representations and Warranties.

Notwithstanding anything to the contrary which may be contained in this Agreement, the Developer represents, warrants and covenants to the City as follows:

- (i) The Developer shall not directly or indirectly use the Property for the purpose of storing Hazardous Materials, nor shall the Developer directly or indirectly use the Property in a manner which will cause or increase the likelihood of causing

- the release of Hazardous Materials onto the Property, other than those Hazardous Materials which are necessary and commercially reasonable for the conduct of the Developer's business operated on the Property and which Hazardous Materials have been at all times prior to the date hereof, and at all times hereafter shall be, handled and disposed of in compliance with all Relevant Environmental Laws and industry standards and in a commercially reasonable manner by the Developer.
- (ii) The Developer shall notify the City promptly and in reasonable detail in the event that the Developer becomes aware of or suspects the presence of Hazardous Materials or a violation of the Relevant Environmental Laws at the Property.
 - (iii) The Developer shall ensure that the Property complies and continues to comply in all respects with the Relevant Environmental Laws.
 - (iv) If the Property is used or maintained so as to subject the Developer, the City or the user(s) of the Property to a claim of violation of the Relevant Environmental Laws (unless contested in good faith by appropriate proceedings), the Developer shall immediately cease or cause a cessation of those aspects of the use or operations causing the violation and shall remedy and cure in compliance with the Relevant Environmental Laws any conditions arising therefrom at its own cost and expense.

b. **Definitions.**

(i) The “**Relevant Environmental Laws**,” as referred to herein, shall mean all applicable federal, state, and local laws, rules, regulations, orders, judicial determinations, and decisions or determinations by any judicial, legislative or executive body of any governmental or quasigovernmental entity, whether in the past, the present or the future, with respect to:

- (a) the installation, existence, or removal of, or exposure to, Asbestos on the Property;
- (b) the existence on, discharge from, or removal from the Property of Hazardous Materials; and
- (c) the effects on the environment of the Property or of any activity now, previously, or hereafter conducted on the Property.

The Relevant Environmental Laws shall include, but are not limited to, the following: (1) the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Sections 9601, et seq.; the Superfund Amendments and Reauthorization Act, Public Law 99-499, 100 Stat. 1613; the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901, et seq.; the National Environmental Policy Act, 42 U.S.C. Section 4321; the Safe Drinking Water Act, 42 U.S.C. Sections 300F, et seq.; the Toxic Substances Control Act, 15 U.S.C. Section 2601; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801; the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251,

et seq.; the Clean Air Act, 42 U.S.C. Sections 7401, et seq.; and the regulations promulgated in connection therewith; (2) Environmental Protection Agency regulations pertaining to Asbestos (including 40 CFR Part 61, Subpart M); Occupational Safety and Health Administration Regulations pertaining to Asbestos (including 29 C.F.R. Sections 1910.1001 and 1926.58) as each may now or hereafter be amended; and (3) any state and local laws and regulations pertaining to Hazardous Materials and/or Asbestos;

(ii) “**Asbestos**,” as referred to herein, shall have the meanings provided under the Relevant Environmental Laws and shall include, but not be limited to, asbestos fibers and friable asbestos as such terms are defined under the Relevant Environmental Laws; and

(iii) “**Hazardous Materials**,” as referred to herein, shall mean any of the following as defined by the Relevant Environmental Laws: Asbestos; hazardous wastes; solid wastes; toxic or hazardous substances, wastes, or contaminants (including, but not limited to, polychlorinated biphenyls (PCB's), paint containing lead, and urea formaldehyde foam insulation), and discharges of sewage or effluent.

c. Developer's Obligations. At its sole cost and expense, the Developer shall:

- (i) Pay immediately when due the cost of compliance with the Relevant Environmental Laws resulting directly or indirectly out of the Developer's use, possession, or development of the Property.
- (ii) Keep the Property free of any lien imposed pursuant to the Relevant Environmental Laws resulting directly or indirectly out of the Developer's use, possession, or development of the Property.

d. City's Options. In the event that the Developer fails to comply with the requirements of this Section after notice to the Developer and the earlier of the expiration of any applicable cure period hereunder, the expiration of the cure period permitted under the Relevant Environmental Laws, if any, or such earlier time if the City determines that life, person or property is in jeopardy, the City may, but shall not be obligated to, exercise its right to do one or more of the following:

- (i) declare that such failure constitutes an Event of Default under Article 15 herein; and/or
- (ii) take any and all actions, at the Developer's expense, that the City deems necessary or desirable to cure said failure of compliance.

e. Release and Indemnity. The City has given the Developer the opportunity to inspect the Property and conduct such environmental assessments and testing as the Developer has deemed appropriate. The City shall not be liable to the Developer for, and the Developer, for itself and its successors and assigns, hereby releases the City from, any and all liability for any violation or alleged violation of the Relevant Environmental Laws respecting the Property, whether such alleged violation occurred before or after Closing and the transfer of possession to the Developer. The City shall not be liable for, and the Developer shall immediately pay to the City when incurred and shall indemnify, defend and hold the City harmless from and against, all loss, cost,

liability, damage and expense (including, but not limited to, attorneys' fees and costs incurred in the investigation, defense and settlement of claims) that the City may suffer or incur as a result of or in connection in any way with any violation of the Relevant Environmental Laws occurring after the Closing or the date of transfer of possession, whichever is earlier, any environmental assessment or study from time to time undertaken or requested by the Developer or City, or breach of any covenant or undertaking by the Developer in this Section; provided, however, the Developer shall have no obligation to the City with respect to (i) indemnified liabilities arising solely from the gross negligence or willful misconduct of the City, or (ii) conditions or Hazardous Materials existing at the earlier of the time of Closing or the date of transfer of possession. The Developer shall bear the burden of proof regarding the date that any alleged violation of the Relevant Environmental Laws occurred, or any condition existed.

f. Survival. The provisions of this Section shall survive the termination of this Agreement.

g. Breach. Breach of any of the representations, warranties and/or covenants contained in this Article shall be a default under this Agreement; provided, however, that no breach shall be deemed to have occurred so long as, upon becoming aware of a possible breach, Developer proceeds to reasonably investigate and remedy in compliance with the Relevant Environmental Laws the matter giving rise to the possible breach.

14. AMENDMENTS

14.01 Form. Any change, addition, deletion, extension or modification of this Agreement (including assignments) that is mutually agreed upon by and between the City and the Developer shall be incorporated in a written amendment (herein called "Amendment") to this Agreement. Such Amendment shall not invalidate this Agreement nor relieve or release the Developer of any of its obligations under this Agreement unless stated therein. Notwithstanding the above, CEDD approval is required for material changes in the Construction Plans pursuant to Section 10.02 of this Agreement.

14.02 Binding effect. No Amendment to this Agreement shall be effective and binding upon the parties unless it expressly makes reference to this Agreement, is in writing, is signed and acknowledged by duly authorized representatives of both parties. To be effective against the City, the Amendment must be authorized as set forth in Section 17.16 of this Agreement.

15. NOTICES

15.01 Addresses. Except as otherwise specified herein, all notices, consents, approvals, requests and other communications (herein collectively called "Notices") required or permitted under this Agreement shall be given in writing and personally delivered with receipt obtained, or mailed by registered or certified first-class mail, return receipt requested, addressed as follows: If to the City: Director Community Economic Development Department 3401 Evaline, Hamtramck, Michigan 48212 . If to the Developer: _____

15.02 Date of Notice. All notices shall be deemed given when hand-delivered or, if electronically mailed, on the next business day after emailing; or if mailed, on the 2nd business day after mailing via first class mail. Either party to this Agreement may change its address for the receipt of Notices at any time by giving notice thereof to the other as provided in Section 14.01. Any Notice given by a party hereunder must be signed by an authorized representative of such party.

ARTICLE 16. MISCELLANEOUS

16.01 Standard of Performance. This Agreement shall be conscientiously performed by the Developer in all particulars, and in accordance with the highest professional and legal standards, including, but not limited to, architectural and engineering standards and construction safety standards, municipal and federal fair employment practice standards, etc. The Developer shall not perform any act directly or indirectly which would act to subvert or otherwise circumvent any of the terms and conditions contained herein. In the event there shall be any dispute between the parties with regard to the character or requirements of the Development Plan or the requirements of the terms and conditions of this Agreement, the reasonable interpretation and determination of the City shall govern.

16.02 Severability. If any one or more provisions of this Agreement or in any instrument or other document delivered pursuant to this Agreement or the application thereof to any person or circumstance shall to any extent be declared or determined to be invalid or unenforceable, the validity, legality and enforceability of the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected or impaired thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

16.03 Entire Agreement. This instrument, including any exhibits listed herein which are attached hereto and which are made a part of this Agreement, contains the entire agreement between the parties and all prior negotiations and agreements are merged herein. The Developer acknowledges that neither the City nor the City's agents have made any representations except those expressly set forth herein, and no rights or remedies are or shall be acquired by the Developer by implication or otherwise unless expressly set forth herein.

16.04 Force Majeure. In the event of enforced delay in the performance by either party of obligations under this Agreement due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, acts of the government, acts of the other party, fires, floods, epidemics, or severe weather, the time for performance of such obligations shall be extended for the period of the enforced delays; provided that the party seeking the benefit of the provisions of this Section shall within thirty (30) days after the beginning of such enforced delay, have first notified the other party in writing of the causes thereof and requested an extension for the

period of the enforced delay. In the event that there is any dispute as to what constitutes such force majeure event, the determination of the City shall be controlling.

16.05 Cumulative Remedies; Jurisdiction; Venue. The rights and remedies set forth herein are not exclusive and are in addition to any of the rights and remedies provided by law or equity. All actions arising under this Agreement shall be governed by, subject to, and construed according to the laws of the State of Michigan. The Developer agrees, consents and submits to the personal jurisdiction of any competent court in Wayne County Michigan for any action brought against it arising out of this Agreement. The Developer agrees that service of process at the address and in the manner specified in Article 14 will be sufficient to put the Developer on notice. The Developer also agrees that it will not commence any action against the City because of any matter whatsoever arising out of or relating to the validity, construction interpretation and enforcement of this Agreement, in any courts other than those in the County of Wayne, State of Michigan. The Developer agrees to obtain a similar covenant from any Associate with respect to any contracts issued in pursuance of this Agreement.

16.06 Counterparts. This Agreement may be executed in counterparts, including being signed electronically or signed and emailed, each of which shall be deemed to be an original document but together shall constitute one instrument.

16.07 Time of the Essence. Time is of the essence of this Agreement.

16.08 Authority of City. Notwithstanding anything in this Agreement or otherwise to the contrary, the City shall not be authorized or obligated to sell the Property to the Developer until this Agreement has been fully executed by the duly authorized representative of the City pursuant to the resolution of the Hamtramck City Council as approved by the Mayor of the City of Hamtramck and approved by the chosen law firm acting as counsel for the City of Hamtramck. Any amendments or modifications must likewise be duly authorized by resolution of the City Council as approved by the Mayor and be approved by the chosen law firm acting as counsel for the City of Hamtramck.

IN WITNESS THEREOF, the parties have caused their seals to be hereto affixed and the instrument now here is executed by their duly authorized representatives.

WITNESSES:

XXXXXXXXXXXXXXXXXX, LLC

BY: _____

STATE OF MICHIGAN)
) SS:
COUNTY OF _____)

On this ____ day of _____, 2021, before me, a Notary Public, in and for said County, personally appeared _____, who first being duly sworn, did execute the within instrument as his free act and deed.

Notary Public

My Commissioner Expires: _____

IN WITNESS THEREOF, the parties have caused their seals to be hereto affixed and the instrument now here is executed by their duly authorized representatives.

WITNESSES:

CITY OF HAMTRAMCK

By: _____
Kathy Angerer, City Manager

STATE OF MICHIGAN)
) SS:
COUNTY OF _____)

On this ____ day of _____, 2021, before me, a Notary Public, in and for said County, personally appeared _____, who first being duly sworn, did execute the within instrument as his free act and deed.

Notary Public

My Commissioner Expires: _____