

APPLICATION TO PURCHASE AND AGREEMENT OF SALE

CASH LAND CONTRACT

Distribution: Applicant, Finance, Lansing, Region

MICHIGAN DEPARTMENT OF TRANSPORTATION AND STATE OF MICHIGAN POLICIES PROHIBIT DISCRIMINATION AGAINST PERSONS BECAUSE OF RACE, COLOR, NATIONAL ORIGIN, SEX, AGE, MARITAL OR FAMILIAL STATUS, OR DISABILITY IN THE SALE OR RENTAL OF PROPERTY.

TRACT NO.	SALE PRICE	BID DEPOSIT	BALANCE
CONTROL SECTION	PARCEL		JOB NO.

The undersigned (Purchaser) offers and agrees to purchase the subject land now owned by the Michigan Department of Transportation (MDOT) and identified above, subject to all encumbrances, building and use restrictions, ordinances, and easements of record together with all improvements and appurtenances, if any, now in or on the premises and to pay the balance indicated above with the following conditions:

1. Sale is subject to final approval by the State Transportation Commission and/or State Administrative Board. Failure of Purchaser to complete payment and close this transaction within 45 days after notification of State Administrative Board approval will result in MDOT terminating the agreement and retaining the property. Purchaser will forfeit up to \$7,500 as liquidated damages if this property was sold at public auction or \$250 as liquidated damages if this property was sold by direct sale.
2. The bid deposit will be held by MDOT and under no circumstances will MDOT be liable for interest on the bid deposit.
3. This Application along with bid deposit must be submitted, and made payable to the State of Michigan – Michigan Department of Transportation. Payments may be in the form of Cash, Personal Check, Certified Check or Money Order. Payments should be delivered to the Michigan Department of Transportation.
4. **LAND CONTRACTS ONLY** - Purchaser agrees to make a down payment of at least 20% of the sale price and to pay the balance due in equal monthly installments of not less than one percent 1% of the sale price. The interest rate is 11% per annum. Purchaser agrees to pay entire remaining amount of principal and all outstanding interest within 5 years from the land contract date. The Purchaser, within 30 days after notification of State Administrative Board approval, shall file with MDOT copies of completed certificates of insurance, satisfactory to MDOT, to afford protection against all claims for damages to public or private property, and injuries to persons in the amount of \$100,000 for each occurrence and an aggregate of \$300,000. Certificates of insurance shall name Michigan Department of Transportation as an additional insured and must include Control Section, Parcel and Tract numbers.
5. A quitclaim deed conveying all interest of MDOT will be executed and delivered to the Purchaser upon receipt of payment in full. No title policy will be provided by MDOT and no closing costs will be paid by MDOT.
6. Purchaser will not assign, sell or transfer for collateral or for any other purpose, any of its rights or obligations under this agreement without prior written approval of MDOT.
7. The time periods set forth here may be extended at the sole discretion of MDOT.
8. Legal description for the subject land is attached.
9. Direct ingress and egress may be limited between the highway and the subject land as described in the legal description.
10. Title will be conveyed as follows:

<input type="checkbox"/> Single Man	<input type="checkbox"/> Joint Tenants	<input type="checkbox"/> Governmental Unit
<input type="checkbox"/> Married Man	<input type="checkbox"/> Tenants in Common	<input type="checkbox"/> Registered co-partnership
<input type="checkbox"/> Single Woman	<input type="checkbox"/> Michigan Corporation	<input type="checkbox"/> Assumed Name (dba)
<input type="checkbox"/> Married Woman	<input type="checkbox"/> Out-of-State Corporation	<input type="checkbox"/> Other _____
<input type="checkbox"/> Husband & Wife	<input type="checkbox"/> Limited Liability Company (LLC)	

LEGAL NAME	PHONE NO.	
ADDRESS		
CITY	STATE	ZIP

11. MDOT reserves the right to invade air space above subject land, including structures, by noise, vibrations, fumes or dust arising from construction, maintenance, repair, removal or use of the adjacent highway or street. Purchaser agrees not to assert any claim arising out of the right reserved by MDOT.
12. MDOT reserves the right to allow any existing public utility facility to go on to the subject land for the purpose of maintenance of said facility, be it on, over, or under the ground.

13. All water run-off and drainage from the abutting highway right-of-way will be allowed a free and uninterrupted flow over subject land. Purchaser will have no claim against MDOT for such water deposited on or flowing upon the land. Purchaser will not change the physical condition of subject land to impede the free flow of water run-off and drainage from the abutting highway right-of-way.

ENVIRONMENTAL DISCLOSURE:

14. MDOT has (choose one)

- No information, reports, or testing regarding environmental condition of subject property in reference to hazardous substances.
- Information and/or testing results on environmental conditions of subject property in reference to hazardous substances.

MDOT recommends Purchaser review Part 201 Section 324.2012 of Public Act 451, 1994 for the Purchaser's liability, and liability exceptions.

15. **Purchaser may perform environmental testing in accordance with the procedures described in paragraph 16 of this Application.** MDOT will **not** pay for any testing or any analysis performed by the Purchaser on the subject property. Testing is defined as any type of environmental assessment including, but not limited to, records review, site inspection, soil boring analysis, groundwater analysis or soil analysis.

16. If Purchaser desires to perform environmental testing, then Purchaser **shall give MDOT written notification within 10 business days after the execution of this Application** to perform environmental testing. Purchaser must obtain a Right-of-Entry from MDOT in accordance with the procedures and in the manner provided by MDOT for obtaining such Right-of-Entry. If Purchaser fails to provide proper notice of his or her intent to perform environmental testing within the time prescribed herein, Purchaser's right to perform environmental testing shall be waived. In any event, Purchaser shall complete environmental testing within 90 calendar days from the date this Application has been executed by the Purchaser. If proper notice of Purchaser's intent to perform environmental testing has not been received by MDOT and/or environmental testing has not been completed within 90 days from the date of this Application, then, in the event Purchaser wishes to terminate this Agreement, Purchaser will forfeit up to \$7,500 as liquidated damages if this property was sold at public auction or \$250 as liquidated damages if this property was sold by direct sale and MDOT will be under no obligation to refund such deposit.

Environmental Testing Performed with Proper Notice

If test results document the presence of hazardous substances which will require remediation under applicable federal or state laws, either MDOT or the Purchaser may terminate this agreement and will be released from any further requirements of this agreement. In this event, notwithstanding any other provisions of this agreement to the contrary, all of the Purchaser's bid deposit will be returned by MDOT. MDOT will not be responsible for any interest on the bid deposit.

Applicant agrees to make test results available at no cost to MDOT at the conclusion of 90 calendar days. Applicant agrees to be solely liable for any damages or injuries which may occur to any person, personalty or real property as a result of the testing or audit.

Waiver of Environmental Testing

If written notice of intent to perform environmental testing has not been received within 10 business days after execution of this Application to Purchase and Agreement of Sale, then said environmental testing will be considered as waived by applicant and the bid deposit will not be refunded.

17. Unless otherwise permitted by law, and only in strict compliance with all state and federal environmental laws, Purchaser will not cause, permit, or suffer any "Hazardous Substance" to be brought upon, treated, kept, stored, disposed of, discharged, released, produced, manufactured, generated, refined or used on, about or beneath the subject property or any portion of it until title to this land is transferred to Purchaser.
18. Purchaser agrees to indemnify and save harmless the State of Michigan, the Michigan State Transportation commission, the Michigan Department of Transportation and all officers, agents and employees thereof from any and all claims for injuries to, or death of, any and all persons, for loss of or damage to property, environmental damage, degradation, response and cleanup costs, and attorney fees or other related costs, arising out of, under, or by reason of this Agreement, except claims resulting from the sole negligence or willful acts or omissions of said indemnitee, its agents or employees.

19. Please check if applicable:

- The deed conveying title is subject to a reversionary interest whereby the purchaser agrees that the premises will be used for public purposes and appurtenances for a continuous period of ten (10) years from the date the deed is delivered and accepted. If at any time within said ten (10) year period the purchaser and/or assigns and successors shall cease to so continuously use the premises, said premises shall automatically revert to the seller and/or its assigns and successors in fee simple absolute. If the premises during the aforementioned ten (10) year period is continually used by the purchaser and/or its assigns and successors for public purposes, then after the expiration of said ten (10) year period the purchaser and/or its assigns and successors will hold the premises in fee simple absolute free of any possibility of reverter heretofore held by seller and or its assigns and successors.

Release of the ten (10) year reversionary interest must be approved by the Michigan Department of Transportation Director. Compensation for release is based on the difference between the original sale price and the current market value of the property (less the value of improvements made by the purchaser) prorated over the ten (10) year reversionary term. The current market value will be determined by an appraisal. Purchaser is responsible for bearing the appraisal cost.

- The deed conveying title is subject to a reversionary interest whereby the purchaser agrees that the property will be used for transportation purposes. If at any time the property is not used for transportation purposes, property ownership will revert to the Michigan Department of Transportation.

SIGNATURE	DATE
AGENT FOR CORPORATION (Please Print)	PHONE NO.
ADDRESS	
CITY	STATE
ZIP CODE	