

(Notice of Conditions of the Bid and Sale of the Property)

OSCODA AREA SCHOOLS

Iosco and Alcona Counties, Michigan

Sealed bids will be accepted by the Board of Education of Oscoda Area Schools (the "District") for the sale of real property commonly known as "Glennie Elementary School" located at 4932 Bamfield Road within the Township of Curtis, Alcona County, Michigan (the "Property").

The conditions of the bid are:

1. Sealed bids must be received for the Property on or before 1:00 p.m. on Monday, July 31, 2017, at the office of Scott M. Moore, Superintendent of Schools, 3550 E. River Road, P.O. Box 694, Oscoda, Michigan 48750-9298, telephone number (989) 739-2033, at which time the bids will be opened and read aloud.

2. A certified or cashier's check in the amount of One Thousand and 00/100 Dollars (\$1,000.00) shall accompany each bid for the Property and shall be forfeited if a bid is accepted and the bidder fails to execute the Purchase Agreement or close the transaction in accordance with the Purchase Agreement. The deposit amount will be credited to the purchase price at closing of the sale of the Property to the successful bidder. The deposit amount will be returned to all unsuccessful bidders within ten (10) days from the date that the District has accepted a bid for the Property or has rejected a bid for the Property.

3. The Purchase Agreement, legal description, title commitment, transfer of liability agreement, warranty deed, and other documents related to the Property can be obtained on the District's website (www.oscodaschools.org) or at the office of Mr. Moore, Superintendent of Schools, during regular business hours. All other inquiries should be directed to Mr. Moore or Sean Pear, the District's Chief Financial Officer, at (989) 739-6705.

4. A walk-through inspection of the building can be arranged by calling the Board of Education Office at (989) 739-2033.

5. The Board of Education will review all bids at its meeting on Monday, August 14, 2017 at 7:00 p.m.

6. The Board of Education expressly reserves the right (a) to reject any or all bids, (b) to negotiate with any or all bidders, and (c) to accept the bid which the Board of Education, at its sole discretion, determines best serves the interests of the District.

The conditions of the sale are:

A. The Property will be sold "as is" and other than a warranty of title, the District expressly disclaims any warranties with regard to the Property.

B. The Purchaser shall sign the Purchase Agreement within three (3) days from the date that the Board of Education accepts the Purchaser's successful bid.

C. Following conveyance of the Property to Purchaser, the District shall have no liability or exposure with respect to any environmental remediation required on the Property or with respect to claims by any governmental agency or other third parties arising out of or based upon exposure, subsequent to such conveyance, to hazardous substances or other conditions known or unknown which may be in or about the Property. At closing, the Purchaser shall enter into an agreement with the District wherein the Purchaser shall indemnify and hold harmless the District from all liability arising out of any hazardous substances located on the Property.

PURCHASE AGREEMENT

This Purchase Agreement (this "Agreement") is entered into this _____ day of _____, 2017 by and between Oscoda Area Schools, a Michigan general powers school district organized and operating under provisions of the Revised School Code, M.C.L. § 380.1, *et seq*, as amended, whose address is 3550 E. River Road, Oscoda, Michigan 48750-9298 (the "Seller") and _____, a _____, whose address is _____ (the "Purchaser") (individually, a "Party"; collectively, the "Parties"), for the transfer by the Seller to the Purchaser of real property commonly known as "Glennie Elementary School" located at 4932 Bamfield Road within the Township of Curtis, Alcona County, Michigan, and legally described as follows:

T24N R6E SEC 16 LOT 3 BLK 2 SUPERVISORS SUB VILLAGE OF GLENNIE

TAX ID #032-270-002-003-00 (the "Property").

I. Property Transferred. The Purchaser shall purchase and receive and the Seller shall sell the Property and the building located thereon and, if any, all easements and all other interests and rights of Seller which are appurtenant to the real estate, including, but not limited to, all right, title, and interest, if any, of the Seller in and to any land lying in street, road, or avenue in front of, within, or adjacent to, or adjoining such land. In addition, all personal property located on the Property on the day of the Closing shall be transferred to the Purchaser, including without limitation any trash or other debris located on the Property. Thereafter, the Purchaser shall be responsible and assume all liability for the personal property.

II. Purchase Price. The Property shall be purchased for the sum of _____ and 00/100 Dollars (\$_____). As additional consideration, the Purchaser agrees to take the Property subject to the disclaimer of warranties and transfer of environmental liability provisions contained in Paragraphs VI and VII, below.

III. Deposit. The Seller and the Purchaser acknowledge and agree that a deposit of One Thousand and 00/100 Dollars (\$1,000.00) has been provided by the Purchaser to the Seller. The deposit shall be credited to the purchase price and closing costs at the Closing described in Paragraph IV, below.

IV. Closing. The closing of the sale described herein shall take place at the office of the Seller's Superintendent of Schools, which closing shall occur on or before _____, 2017 (the "Closing").

V. Property Taxes. The Seller shall pay all real property taxes, if any, on the Property prior to the date of the Closing. The Purchaser shall be responsible for all real property taxes on the Property which become due on or after the date of the Closing.

VI. Disclaimer of Warranties. THE SELLER DISCLOSES AND THE PURCHASER ACKNOWLEDGES THAT THE BUILDING LOCATED ON THE PROPERTY

IS IN THE STATE OF DISREPAIR AND CONTAINS ASBESTOS AND ASBESTOS-CONTAINING PRODUCTS. AT CLOSING, THE PURCHASER WILL EXECUTE THE PURCHASER'S STATEMENT THAT IS ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT "A" (THE "PURCHASER'S STATEMENT"). THE PURCHASER'S STATEMENT CONFIRMS IN WRITING THAT THE PURCHASER HAS INSPECTED THE PROPERTY AND AGREES TO TAKE THE PROPERTY "AS IS," WITH ALL PERSONAL PROPERTY AND DEBRIS, AND IN ITS PRESENT CONDITION AND THAT THERE ARE NO OTHER OR ADDITIONAL WRITTEN OR ORAL UNDERSTANDINGS. THE PURCHASER'S STATEMENT ALSO PROVIDES THAT THE SELLER EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND WITH REGARDS TO THE PROPERTY.

VII. Environmental Matters. It is the intention and agreement of the Seller and the Purchaser that following conveyance of the Property to the Purchaser, the Seller shall have no liability or exposure with respect to any environmental remediation required on the Property or with respect to claims of third parties arising out of or based upon exposure, subsequent to such conveyance, to hazardous substances or other conditions known or unknown which may be in or about the Property, and as stated above, the Purchaser is accepting the Property in its "as is" condition with full liability therefor. The Seller and the Purchaser agree, if a conveyance of the Property occurs:

(a) The Purchaser shall, at its sole expense, be responsible for and pay the cost of and indemnify the Seller from, including payment of the Seller's actual attorneys' fees, any and all environmental assessments and remedial actions, if any, required pursuant to the Comprehensive Environmental Response Compensation and Liability Act of 1980 (as amended), Act 451 of the Michigan Public Acts of 1994, as amended, or any and all other applicable Federal, State, or local statutes, laws, ordinances, codes, rules, regulations, and guidelines (including consent decrees and administrative orders) relating to public health and safety and the protection of the environment.

(b) The Purchaser shall, at its sole expense, be responsible for and pay the cost of investigation, repairs, and modifications as are necessary to assure that the Property is safe and appropriate for its intended uses and that the Property complies with all applicable building codes or other applicable laws or regulations; and is not in violation of any Federal, State, or local statutes, laws, ordinances, codes, rules, regulations, and guidelines (including consent decrees and administrative orders) pertaining to the environment or use of the Property.

(c) The Purchaser further agrees that it shall, at its expense, defend against any claims asserted by third parties and indemnify the Seller, including payment of the Seller's actual attorneys' fees from any exposure in and about the Property after the date of the Closing to any hazardous waste as defined in Section 11103(3) of Act 1994 PA 451, as amended, or as defined in any other Federal, State, or local statutes, laws, ordinances, codes, rules, regulations, and guidelines (including consent decrees and administrative orders), or as a result of any other allegedly dangerous conditions known or unknown existing in and about the Property as of the date of conveyance to the Purchaser.

(d) The Purchaser shall not look to the Seller or its successors or assigns, for any reimbursement, apportionment, or contribution with respect to the liability assumed, and expenditures incurred by the Purchaser pursuant to subparagraphs (a), (b), and (c) above, by reason of the existence of any hazardous waste (as above defined) or which may be assessed as response costs or investigative costs by any governmental agency, whether such right be pursuant to common law or by statute.

(e) The provisions of this Paragraph VII shall, in the case any one or more of the same is deemed to be unenforceable, be severable, meaning that the unenforceability of any given provisions shall not affect the enforceability of the remaining provisions.

(f) This Paragraph VII shall inure to the benefit and be binding upon the Purchaser, and its successors and assigns, including any party to whom any of the Property is conveyed or leased in whole or in part, by the Purchaser.

(g) The provisions of subparagraphs (a) through (f), above, shall survive Closing. At the Seller's option, at the Closing, the provisions of subparagraphs (a) through (f) shall be placed in recordable form, signed, and acknowledged by the Purchaser and the Seller and then recorded by the Seller, at its expense, with the Alcona County, Michigan, Register of Deeds. A copy of the Transfer of Liability and Indemnification Agreement is attached hereto and made a part hereof as Exhibit "B."

VIII. Attorney's Opinion. The Purchaser acknowledges that the Seller has recommended that the Purchaser retain an attorney to pass on the marketability of the title to the Property and to review the details of the sale before the Closing.

IX. Special Assessments. Special Assessments which are or become a lien on the Property before the date of the Closing shall be paid by the Seller. Special assessments which become a lien on the Property on or after the Closing date shall be paid by the Purchaser.

X. Warranty Deed and Title Commitment. At the Closing, the Seller shall deliver to the Purchaser a warranty deed, a copy of which warranty deed is attached hereto and made a part hereof as Exhibit "C." The Purchaser acknowledges receipt of a title commitment for the Property issued by _____ Title Agency of Michigan, Title No. _____ (Effective Date: _____, 2017 at _____ a.m.) (the "Title Commitment"). The Purchaser agrees to accept title to the Property subject to all general and special exceptions contained in the Title Commitment. At the Sellers's expense, a title policy based upon the Title Commitment shall be issued by _____ Title Agency of Michigan.

XI. Time of Essence. Time is of the essence with respect to all dates and times set forth in this Agreement.

XII. Closing Costs. At the Closing, the Seller shall pay the costs of preparation of the warranty deed, title policy, and any attorneys' fees incurred by the Seller. At the Closing, the

Purchaser shall pay the costs of recording the warranty deed, attorneys' fees incurred on behalf of the Purchaser, and any Phase I Environmental Audit and other inspection costs initiated by the Purchaser. The Seller and the Purchaser shall each pay one-half (1/2) of the closing costs which are incurred by the title company to close this transaction.

XIII. Notices. All notices required or given under this Agreement shall be in writing and either delivered personally or mailed by regular mail addressed to the Parties at their addresses specified above. Mailed notices shall be effective upon mailing.

XIV. Whole Agreement. This Agreement constitutes the entire agreement between the Parties and shall be deemed to supersede and cancel any other agreement between the Parties relating to the transactions herein contemplated. Each Party acknowledges that no representation, inducement, or condition not set forth herein has been made or relied upon by either Party.

XV. Amendments. This Agreement may be amended or modified only by a document in writing executed by each of the Parties.

XVI. Successors and Assigns. This Agreement shall bind and benefit the Parties hereto and their respective successors and assigns.

XVII. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

XVIII. Effective Date. This Agreement shall become effective as of the date upon which the last of the Parties listed below shall have signed this Agreement.

XIX. Counterpart Signatures. This Agreement may be executed in one or more counterparts, including facsimile copies, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.

WITNESSES:

SELLER:

**OSCODA AREA SCHOOLS,
a Michigan general powers school district**

By: _____

Scott M. Moore

Its: Superintendent of Schools

Dated: _____, 2017

WITNESSES:

PURCHASER:

By: _____

Dated: _____, 2017

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EXHIBIT "A"

PURCHASER'S STATEMENT

_____, a _____, whose address is _____ (the "Purchaser") is purchasing from Oscoda Area Schools, a Michigan general powers school district organized and operating under the Revised School Code, M.C.L. § 380.1, *et seq.*, as amended, whose address is 3550 E. River Road, Oscoda, Michigan 48750-9298 (the "Seller") real property commonly known as "Glennie Elementary School" located at 4932 Bamfield Road within the Township of Curtis, Alcona County, Michigan, and legally described as follows:

T25N R6E SEC 16 LOT 3 BLK 2 SUPERVIORS SUB VILLAGE OF GLENNIE

Property Identification No. 032-270-002-003-00 (the "Property").

The Purchaser confirms, acknowledges, and agrees that:

(1) The Seller discloses and the Purchaser acknowledges that the building located on the Property is in the state of disrepair and contains asbestos and asbestos-containing products.

(2) The Purchaser confirms that he has inspected the Property and agrees to take the Property "as is," with all personal property and debris and in its present condition.

(3) The Purchaser confirms there are no other or additional written or oral understandings and that the Seller disclaims any and all warranties of any kind with regards to the Property.

PURCHASER:

Dated: _____

By: _____

Its: _____

EXHIBIT "B"

TRANSFER OF LIABILITY AND INDEMNIFICATION AGREEMENT

This Transfer of Liability and Indemnification Agreement (this "Agreement") is entered into this ____ day of _____, 2017. It is the intention and agreement of the Oscoda Area Schools, a Michigan school district organized and operating under the Revised School Code, M.C.L. § 380.1, *et seq.*, as amended, whose address is 3550 E. River Road, Oscoda, Michigan 48750-9298 (the "Seller") and _____, _____, whose address is _____ (the "Purchaser"), that following conveyance of the property to the Purchaser, which legal description is attached hereto as Attachment "1" (the "Property"), the Seller shall have no liability or exposure with respect to any environmental remediation required on the Property or with respect to claims of third parties arising out of or based upon exposure, subsequent to such conveyance, to hazardous substances or other conditions known or unknown which may be in or about the Property, and as stated above, the Purchaser is accepting the Property in its "as is" condition with full liability therefor. The Seller and the Purchaser agree as follows:

(a) The Purchaser shall, at its sole expense, be responsible for and pay the cost of and indemnify the Seller from, including payment of Seller's actual attorneys' fees, any and all environmental assessments and remedial actions, if any, required pursuant to the Comprehensive Environmental Response Compensation and Liability Act of 1980 (as amended), Act 451 of the Michigan Public Acts of 1994, as amended, or any and all other applicable Federal, State, or local statutes, laws, ordinances, codes, rules, regulations, and guidelines (including consent decrees and administrative orders) relating to public health and safety and the protection of the environment.

(b) The Purchaser shall, at its sole expense, be responsible for and pay the cost of investigation, repairs, and modifications as are necessary to assure that the Property is safe and appropriate for its intended uses and that the Property complies with all applicable building codes or other applicable laws or regulations; and is not in violation of any Federal, State, or local statutes, laws, ordinances, codes, rules, regulations, and guidelines (including consent decrees and administrative orders) pertaining to the environment or use of the Property.

(c) The Purchaser further agrees that it shall, at its expense, defend against any claims asserted by third parties and indemnify the Seller, including payment of Seller's actual attorneys' fees from any exposure in and about the Property after the date of closing to any hazardous waste as defined in Section 11103(3) of Act 1994 PA 451, as amended, or as defined in any other applicable Federal, State, or local statutes, laws, ordinances, codes, rules, regulations, and guidelines (including consent decrees and administrative orders), or as a result of any other allegedly dangerous conditions known or unknown existing in and about the Property as of the date of conveyance to the Purchaser.

(d) The Purchaser shall not look to the Seller or its successors or assigns, for any reimbursement, apportionment, or contribution with respect to the liability assumed, and expenditures incurred by Purchaser pursuant to Paragraphs (a), (b), and (c) above, by reason of the existence of any hazardous waste (as above defined) or which may be assessed as response costs or investigative costs by any governmental agency, whether such right be pursuant to common law or by statute.

(e) The provisions of this Agreement shall, in the case any one or more of the same is deemed to be unenforceable, be severable, meaning that the unenforceability of any given provisions shall not affect the enforceability of the remaining provisions.

(f) This Agreement shall inure to the benefit and be binding upon the Purchaser, and its successors and assigns, including any party to whom any of the Property is conveyed or leased in whole or in part, by the Purchaser.

(g) The provisions of Paragraphs (a) through (f), above, shall survive closing.

SELLER:

**OSCODA AREA SCHOOLS,
a Michigan general powers school district**

Dated: _____

By: _____

Scott M. Moore

Its: Superintendent of Schools

Acknowledged before me in _____ County, Michigan, this ____ day of _____, 2017, by Scott M. Moore, Superintendent of Schools, Oscoda Area Schools, a Michigan general powers school district.

_____(signature)

_____(printed)

Notary Public, _____ County, Michigan

My Commission Expires: _____

Acting in the County of _____

PURCHASER:

Dated: _____

By: _____

Its: _____

Acknowledged before me in _____ County, Michigan, this ____ day of _____,
2017, by _____, _____, _____,
_____.

_____ (signature)

_____ (printed)

Notary Public, _____ County, Michigan

My Commission Expires: _____

Acting in the County of _____

**PREPARED BY AND AFTER
RECORDING RETURN TO:**

Gordon W. VanWieren, Jr., Esq.
Thrun Law Firm, P.C.
P.O. Box 2575
East Lansing, Michigan 48826-2575

ATTACHMENT "1"

LEGAL DESCRIPTION OF PROPERTY

T24N R6E SEC 16 LOT 3 BLK 2 SUPERVISORS SUB VILLAGE OF GLENNIE

Property Identification No. 032-270-002-003-00.

EXHIBIT "C"

WARRANTY DEED

Oscoda Area Schools, a Michigan general powers school district organized and operating under the provisions of the Revised School Code, M.C.L. § 380.1, *et seq.*, as amended, whose address is 3550 E. River Road, Oscoda, Michigan 48750-9298 (the "Grantor") warrants to _____, _____, whose address _____ (the "Grantee"), for the transfer by the Seller to the Purchaser real property commonly known as "Glennie Elementary School" located at 4932 Bamfield Road within the Township of Curtis, Alcona County, Michigan, legally described as follows:

T25N R6E SEC 16 LOT 3 BLK 2 SUPERVISORS SUB VILLAGE OF
GLENNIE

Property Identification No. 032-270-002-003-00 (the "Property")

for the consideration of _____ and 00/100 Dollars (\$_____).

This conveyance is subject to:

- (a) building and zoning laws, ordinances, and regulations;
- (b) recorded and existing building and use restrictions, or other restrictions relating to the use or improvement of the Property;
- (c) recorded and existing restrictions, if any;
- (d) recorded and existing utility or roadway easements and rights-of-way;
and
- (e) all other rights, restrictions, reservations, easements, and other matters of record disclosed in the Commitment for Title Insurance issued by _____ Title Agency of Michigan, Title No. _____ (Effective Date: _____, 2017 at _____ a.m.).

The Grantor grants to the Grantee the right to make all permitted divisions under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967.

The Property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act, M.C.L. § 286.471, *et seq.*, as amended.

This transaction is exempt from real estate transfer tax pursuant to M.C.L. § 207.505(h)(i) and M.C.L. § 207.526(h)(i).

**OSCODA AREA SCHOOLS, a
Michigan general powers school district**

Dated: _____

By: _____

Scott M. Moore

Its: Superintendent of Schools

Acknowledged by me in _____, County, Michigan, this ____ day of _____, 2017, by Scott M. Moore, Superintendent of Schools, Oscoda Area Schools, a Michigan general powers school district.

_____ (signature)

_____ (printed)

Notary Public, _____ County, Michigan

My Commission Expires: _____

Acting in the County of _____

When Recorded Return To:	Send Subsequent Tax Bills To:	Prepared By (Without Opinion):
Grantee	Grantee	Gordon W. VanWieren, Jr., Esq. Thrun Law Firm, P.C. P.O. Box 2575 East Lansing, MI 48826-2575

Oscoda Area Schools
3550 River Road
P.O. Box 694
Oscoda, Michigan 48750

**Bid Form for
Sale of real property commonly
known as “Glennie Elementary School”**

Bid Amount: \$ _____

Purchaser agrees to the conditions of the sale as stated in the (Notice of Conditions of the Bid and Sale of the Property) as posted on the Oscoda Area Schools website.

Name and/or Company of Bidder: _____

Address: _____

City, State, & Zip Code: _____

Telephone Number: _____

Signature of Representative

Date of Signature

Please send these bids to: Susan Barnhart, District General Manager
Oscoda Area Schools
3550 East River Road, P.O. Box 674
Oscoda, Michigan 48750

Bids should be received into the Board of Education Office no later than 1:00 p.m. Eastern Standard Time on Monday, July 31, 2017. Bids received after that time will not be accepted. All bids must be accompanied by a \$1,000.00 certified or cashier’s check deposit and shall be forfeited if a bid is accepted and the bidder fails to execute the Purchase Agreement or close the transaction in accordance with the Purchase Agreement.

The Board of Education reserves the right to accept or reject any or all bids received.