

**NON-PROFIT HOUSING DEVELOPERS AGREEMENT
TO ACQUIRE TAX FORECLOSED PROPERTY**

This AGREEMENT is made and entered into this _____ day of _____, 2012 between _____, a Michigan Non-Profit Corporation, _____, Grand Rapids, MI 4950_, hereinafter called “Non-Profit Housing Developer (NPH Developer)”, and Kent County Land Bank Authority, hereinafter called “Land Bank,” a Michigan Municipal Corporation, 82 Ionia Ave., NW, Suite 360, Grand Rapids, MI 49503, hereinafter called “Land Bank”,

Recitals

- A. The State of Michigan has adopted the Land Bank Fast Track Act, Act 258 of 2003, which allows Land Banks to Acquire Tax Foreclosed properties for, among other purposes, the preservation of property values.
- B. The Land Bank must pay a minimum bid price which consists of unpaid taxes, interest, penalties, interest and fees (including unpaid notice and recording costs).
- C. The Land Bank is participating with the NPH Developer in order to assist with preservation of property values through the elimination or prevention of blight.
- D. An approved NPH Developer may request the Land Bank to acquire on its behalf a tax-foreclosed property located within the County of Kent, Michigan. The NPH Developer must complete the Kent County Land Bank Tax Foreclosed Property Request Form (Exhibit A). All completed forms will be submitted to the Kent County Land Bank Advisory Council for approval. The Land Bank reserves the right to approve or reject any Tax Foreclosed Property Request based on the need, pre-existing development plans by the Land Bank, or the proximity of the requested property to recent or current investment by the NPH Developer, and the overall reasonableness of the request.
- E. The Land Bank has agreed to acquire a certain tax-foreclosed property on behalf of the NPH Developer under the terms set forth below.

Terms and Conditions

Now, therefore, in consideration of the mutual covenants, set forth herein, the parties agree as follows:

1. The Land Bank shall include the NPH Developer's request for the acquisition of the tax foreclosed property(ies) approved by the Land Bank Advisory Council from the list attached Exhibit A, hereinafter "Property."
2. The Land Bank shall take the necessary steps to attempt to acquire the Property with the intent of conveying the Property to the NPH Developer for the public purpose of rehabilitation or new construction for the purposes of stabilizing property values and reducing blight in their target neighborhoods.
3. The NPH Developer agrees to complete rehabilitation of the Property within twelve (12) months of the Land Bank's conveyance. The NPH Developer shall comply with all applicable housing and nuisance codes, all applicable State and Federal laws and regulations, and shall submit all required plans, reports, and appeals to the Land Bank. If the rehabilitation or new construction is not completed within twelve (12) months of the conveyance, NPH Developer shall return the property to the Land Bank upon request of the Land Bank. NPH Developer agrees that it shall return the Property acquired under the terms and conditions of this Agreement to the Land Bank under the following circumstances:
 - A. It does not successfully obtain insurable title or evict occupants as necessary within twelve (12) month's of the Land Bank's conveyance.
 - B. It does not complete the required rehabilitation or new construction in accordance with the terms and conditions of this Agreement within 12 months of the Land Bank's conveyance.
 - C. The Land Bank, at its sole discretion, determines the NPH Developer has violated any covenant or condition set forth in this Agreement.
 - D. The NPH Developer hereby acknowledges and agrees the acquisition costs they expend as outlined in Paragraph 7, 8 and 10 of this Agreement shall not be refunded.
4. NPH Developer covenants and agrees to be bound by a final determination made by the Land Bank, or its designee, that any or all of the conditions or covenants herein set forth have been breached, and that upon thirty (30) days written notice by the Land Bank to the NPH Developer of such a formal determination of breach, the NPH Developer shall surrender and quit unto the Land Bank the Property acquired under the terms and conditions of this Agreement.
5. Upon the occurrence of the events specified in Paragraphs 3 and 4, the Land Bank, its successors or assigns, may enter upon the Property or any part then remaining, and terminate the estate hereby conveyed and thereafter hold the land and improvements thereon in fee simple absolute as if this conveyance had never been made.
6. Any sale, conveyance, lease or transfer of any nature or kind of the Property prior to completion of the rehabilitation or new construction project anticipated in this Agreement by the NPH Developer is hereby prohibited unless said sale, conveyance, lease, encumbrance, or transfer is made with the express, advance written approval of the Land Bank.
7. The NPH Developer shall deposit with the Land Bank the estimated minimum bid price for acquiring the Property, plus a \$500 administration fee.
8. The deposited monies shall be retained by the Land Bank to reimburse the Land Bank for all of its acquisition costs, including recording fees at the time the Property is conveyed to the NPH Developer.

9. If the Land Bank fails to acquire and convey the tax-foreclosed property to the NPH Developer it shall return the monies held on deposit to the NPH Developer.
10. If the Land Bank's costs to acquire and convey the Property exceed the monies held on deposit, the NPH Developer shall reimburse and pay to the Land Bank its additional incurred expenses at the time of the conveyance of the Property.
11. If the Land Bank's costs to acquire and convey the Property are less than the monies held on deposit, the balance shall be returned to the NPH Developer at the time of the conveyance, not including the administration fee.
12. The Land Bank is not obligated to acquire the Property, but will make reasonable efforts to do so. The Land Bank is not liable for the failure to acquire the property, or the quality or marketability of the title to any property transferred under this agreement. The Land Bank will convey its interest in the Property by quitclaim deed. The Land Bank recommends the NPH Developer obtain an opinion of title or title commitment from a recognized title insurance company regarding the condition of title to be conveyed under this agreement.
13. The Land Bank shall have no obligations to evict any persons occupying the property. The NPH Developer agrees to take all steps necessary to, if necessary evict occupants at its expense.
14. NPH Developer agrees that it shall pay all real and personal property taxes, water bills, nuisance liens, special assessments or any other costs levied against the Property on or before the date said taxes and/or special assessments become due and payable.
15. No party to this agreement shall have the right to assign its rights or delegate its obligations under this Agreement without the prior written consent of all other parties hereto.
16. Miscellaneous
 - a. This Agreement shall be binding upon, and shall inure to the benefit of, each of the parties hereto and their successors and assigns.
 - b. This Agreement shall be governed by and construed according to the laws of the State of Michigan.
 - c. The invalidity or unenforceability of any term or provision in this Agreement shall not affect the validity or enforceability of any of the remaining terms and provisions in the Agreement, all of which shall remain in full force and effect.
 - d. This Agreement constitutes the entire agreement of the parties regarding the subject matter hereof and all prior agreements with respect thereto are merged herein.
 - e. This Agreement may be amended only by a written instrument signed by all parties hereto.
 - f. This Agreement may be signed in one (1) or more counterparts, all of which together shall constitute one (1) and the same document.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

KENT COUNTY LAND BANK AUTHORITY, a Michigan Municipal Corporation

By: _____
C. Allen, Executive Director

David

Attest: _____

STATE OF MICHIGAN)
)SS
COUNTY OF KENT)

On this _____ day of _____, 2012, before me, the subscriber, a Notary Public in and for said County, personally appeared DAVID C. ALLEN, Executive Director of the Kent County Land Bank Authority, Kent County, Michigan, to me known to be the same person described in and who has executed the within instrument, and acknowledged the same to be his free act and deed.

Notary Public, Kent County, Michigan
My commission expires _____

By _____

Its _____

STATE OF MICHIGAN)
)SS
COUNTY OF KENT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2012, by _____, the Executive Director of _____, a Michigan Non-Profit Corporation, on behalf of said corporation.

Notary Public, Kent County, MI
My Commission Expires _____

Prepared by: David C. Allen
Kent County Land Bank Authority
82 Ionia Ave., NW, Suite 360
Grand Rapids, MI 49503

