

CO-OWNER AGREEMENT

This CO-OWNER AGREEMENT (this “Agreement”) dated as of the ____ day of May, 2025, is made and entered by and between Peninsula Housing, a Michigan non-profit corporation, whose address is 376 Lincoln Street, Suttons Bay, MI 49682 (hereinafter “PH”), and Leelanau County Land Bank Fast Track Authority, a Michigan land bank authority, whose address is 8527 E. Government Center Drive, Suite 104, Suttons Bay, MI 49682 (hereinafter “LCLB”) (PH and LCLB shall each sometimes referred to as an “Owner” or collectively as the “Co-Owners”), with reference to the facts set forth below.

RECITALS

A. Pursuant to a Purchase Agreement with Suttons Bay Public Schools, PH and the LCLB are Co-Owners of an approximately 9.5 acre portion of Tax Parcel 043-829-024-00, within the Village of Suttons Bay, Leelanau County, Michigan, whose legal description is attached hereto as Exhibit “A” (the “Property”).

B. The parties are executing this Agreement to set forth their agreement with respect to the ownership and operation of the Property.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions herein contained, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

ARTICLE 1 **OWNERSHIP/MANAGEMENT OF THE PROPERTY**

1.1 Tenancy in Common Created. Each Owner shall hold title to the Property as a Tenant in Common pursuant to Michigan law and in accordance with the terms and conditions set forth in this Agreement. The parties shall be considered equal owners of the Property.

1.2 Use of the Property. Contemporaneous with execution of this Agreement, the parties are entering into a Lease Agreement with the Suttons Bay Public Schools to allow the School as Tenant to use three baseball/softball fields. Upon expiration of the Lease, the parties desire that PH shall develop the Property for affordable and/or attainable housing pursuant to its non-profit mission.

1.3 Funds for Purchase Price. PH shall be responsible for any and all costs associated with acquiring, operating, and maintaining the Property, subject to the terms and conditions of the above referenced Lease Agreement. Any and all Lease payments made by Tenant shall be paid to PH.

1.4 LCLB Release of Ownership Interest. LCLB agrees to transfer its ownership interest in the Property to PH or its assigns at such time that all or a portion of the Property is sold to a third party, or a certificate of occupancy is issued for all or a portion of the Property for an improvement made on the Property, whichever occurs first. Additionally, upon request of PH, LCLB agrees to transfer its ownership interest in all or a portion of the Property to PH or its assigns.

1.5 Governmental Approvals. The parties acknowledge that PH will be seeking governmental approval to have the Property rezoned and used for affordable and/or attainable housing pursuant to its non-profit mission. As such, PH will be seeking rezoning and other governmental approvals for the Property. LCLB appoints PH its agent for purposes of seeking governmental approvals, including for rezoning of the Property, to provide for the intended use of the Property. Upon request, PH will provide LCLB with copies of any and all requests for governmental approvals for the Property.

1.6 Right of First Refusal. In the event that PH dissolves, or takes sole ownership of the Property and offers it for sale, LCLB shall have the right of first refusal to purchase the Property upon terms equal to those received by PH in any bona fide offer to purchase by another bona fide purchaser which PH wishes to accept. In order to exercise the first right of purchase, LCLB must, within forty-five (45) days of receipt from PH of notice of any bona fide offer to purchase signed by PH, send written notice to PH of its intent to match said offer.

ARTICLE 2 TRANSFER

2.1 Transfer. No Owner shall mortgage or encumber their undivided interest in such Property without first obtaining the express prior written consent of the other Owner.

2.2 Partition. No Owner shall, directly or indirectly, make application to or petition any court for a partition of the Property.

ARTICLE 3 TERM

3.1 Term. The term of this Agreement commenced upon the date hereof and shall terminate upon the occurrence of any of the following events:

- (a) The Co-Owners unanimously agree in writing to terminate this Agreement;
- (b) One Owner acquires fee simple title to the entire Property.

ARTICLE 4 MISCELLANEOUS PROVISIONS

4.1 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

4.2 Entire Agreement, Modification; Waiver. This Agreement and any agreement, document or instrument referred to herein constitutes the entire agreement between the Co-Owners pertaining to the subject matter contained in such agreement and supersedes all prior and contemporaneous agreements, representations and understandings of the Co-Owners. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all of the Co-Owners.

4.3 Governing Law; Venue. This Agreement shall be governed by, construed, enforced and interpreted in accordance with the internal laws of the State of Michigan, without regard to the conflicts of law provisions and principles thereof.

4.4 Counterparts; Facsimiles. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original (including copies sent to a party by facsimile or e-mail) as against the party signing such counterpart, but which together shall constitute one and the same instrument. Signatures transmitted via facsimile or e-mail shall be considered authentic and binding.

IN WITNESS WHEREOF, the Co-Owners have set their authorized signatures.

Peninsula Housing,
a Michigan non-profit corporation

By: Lawrence Mawby
Its: President

Leelanau County Land Bank Fast Track Authority,
a Michigan land bank authority

By: John A. Gallagher, III
Its: Chairman

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2025, before me personally appeared Lawrence Mawby, to me known and known to me, who being duly sworn, did depose and say that he is the President of Peninsula Housing, a Michigan non-profit corporation, the corporation described in and which executed the foregoing instrument, and that he signed his name thereto by order of the Board of Directors of said corporation, as and for his voluntary act and deed and as and for the voluntary act and deed of said corporation.

Notary Public

County, _____
Acting in _____ County
My Commission Expires: _____

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2025, before me personally appeared John A. Gallagher, III, to me known and known to me, who being duly sworn, did depose and say that he is the Chairman of the Leelanau County Land Bank Fast Track Authority, which executed the foregoing instrument, and that he signed his name thereto as and for his voluntary act and deed and as and for the voluntary act and deed of said land bank authority.

Notary Public

County, _____
Acting in _____ County
My Commission Expires: _____

Drafted by and when recorded return to:
Thomas A. Pezzetti, Jr., Esq.
600 E. Front St., Ste. 102
Traverse City, MI 49686
231-929-3450

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EXHIBIT A

PROPERTY DESCRIPTION

Land situated in the Village of Suttons Bay, County of Leelanau, State of Michigan, more particularly described as:

Parcel 1A

Part of the East ½ of the Southeast ¼ of Section 29, Town 30 North, Range 11 West, Village of Suttons Bay, Leelanau County, Michigan, described more fully as follows: Commencing at the Southeast Corner of said Section 29; thence N89°44'10"W, along the South Line of said Section 29 and the centerline of Herman Road, 363.06 feet for the Point of Beginning; thence continuing N89°44'10"W, along said south section line and centerline, 969.57 feet (also recorded as 969.69 feet) to the East 1/8 Line of said Section 29; thence N00°11'40"E, along said east 1/8 line, 488.48 feet; thence S89°44'10"E, parallel with said south section line, 672.55 feet; thence S00°23'48"E, 46.28 feet; thence S33°08'31"E, 158.17 feet; thence S62°01'31"E, 237.52 feet to the Northwest Corner of Tax Parcel No. 45-011-029-024-10; thence S00°20'36"W, along the West Line of said tax parcel, 199.70 feet (also recorded as S00°20'00"W, 200.00 feet) to the Point of Beginning. The described parcel contains 9.526 acres of land.

Subject to the rights of the public in that part of Herman Road that lies within it.

Subject to and together with a 33.00 foot wide easement as more fully disclosed in a Warranty Deed recorded in Liber 366, Pages 804 and 805, Leelanau County Records.

Subject to and together with other easements, restrictions and reservations of record, if any.