

City of St. Joseph

Resolution 2025-

**RESOLUTION TO APPROVE AGREEMENT FOR SALE OF REAL ESTATE**

**WHEREAS**, on June 23, 2025, the St. Joseph City Commission passed a Resolution of Conditional Support to sell a parcel of real estate on the southeast corner of Broad Street and Lake Boulevard, with a parcel identification number of 11-76-0340-0109-00-9, that is improved with a surface public parking lot ("City Lot") to The Reinks Group, LLC ("TRG") for purposes of constructing a mixed-use building development on the City Lot, so long as TRG meets certain terms and conditions, and

**WHEREAS**, the parties have developed a proposed Agreement for the sale of the City Lot, which incorporates the terms and conditions required for the sale of the City Lot to TRG.

**NOW, THEREFORE, BE IT RESOLVED**, that the St. Joseph City Commission approves the Agreement for Sale of Real Estate, attached and incorporated as Exhibit A ("Agreement"), authorizing the sale of the City Lot to TRG.

**BE IT FURTHER RESOLVED**, that the St. Joseph City Commission authorizes the City Manager to execute the Agreement and all other documents reasonable and necessary to consummate the sale of the City Lot as described in the Agreement.

AYES:

NAYES:

ABSENT:

Resolution duly adopted.

I, Abby Bishop, the duly qualified and appointed Clerk of the City of St. Joseph, Berrien County, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the St. Joseph City Commission at a meeting held on August 25, 2025, the original of which is on file in my office. Public notice of said meeting was given pursuant to and in compliance with Act No. 267 of the Public Acts of Michigan of 1976, as amended.

IN WITNESS WHEREOF, I affix my signature this \_\_\_\_ day of \_\_\_\_\_, 2025.

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Abby Bishop, City Clerk  
City of St. Joseph

## **AGREEMENT FOR SALE OF REAL ESTATE**

This **AGREEMENT** for the sale of real estate (“Agreement”) is made this 25 day of August, 2025 (“Effective Date”), by and between the **CITY OF ST. JOSEPH**, a Michigan municipal corporation, of 700 Broad Street, St. Joseph, Michigan 49085 (“City” or “Seller”), and **THE RIENKS GROUP, LLC.**, an Indiana limited liability company authorized to conduct business in the state of Michigan, with a local resident address of 2809 S. 11<sup>th</sup> Street, Niles, MI 49120, as (“TRG” or “Buyer”).

**WHEREAS**, the City owns a parcel of real estate on the northeast corner of Broad Street and Lake Boulevard, with a parcel identification number of 11-76-0340-0109-00-9, that is improved with a surface public parking lot (“City Lot”); and

**WHEREAS**, the City’s Downtown Vision Master Plan recommends that the City: explore and encourage appropriate development of the identified opportunity sites, consider selling City-owned properties to enable desired development Downtown, and coordinate with property owners and developers to explore and actively seek development that will contribute to the character and vitality of Downtown; and that new residential and mixed-use development should be prioritized to help achieve that goal; and identifies the City Lot as a desirable development opportunity site; and

**WHEREAS**, a 2024 Housing Market Analysis conducted by Cornerstone Alliance identified a need for an additional 900 housing units in the City of St. Joseph over the next five years, and the City’s Economic Development Strategy, adopted by the St. Joseph City Commission in 2024, recommended prioritizing housing development and called for a mix of market-rate housing and more affordable middle-income housing; and

**WHEREAS**, the St. Joseph City Commission passed a Resolution of Conditional Support for the sale of the City Lot on Monday, June 23, 2025; and

**WHEREAS**, TRG approached the City with a development proposal for a building to be composed of 100 residential units with a mix of approximately 32 condominiums and 68 apartments with apartment rent priced at or below 120% of the Area Median Income, retail and restaurant use on the ground floor, and underground private and public parking spaces (“the Project”) on the City Lot and the adjacent privately owned lot at 508 Pleasant Street, pending all necessary approvals including a Special Use Permit for a height of up to 80 feet; and

**WHEREAS**, TRG continues to work to complete development plans with input from architects, engineers, and the public which may impact their planned mix of condominiums and apartments.

**WHEREAS**, TRG wishes to purchase the City Lot as part of the Project, and the City is willing to sell the City Lot to TRG as part of the Project as it supports the goals of the City’s Downtown Vision Master Plan and benefits the public good by providing needed housing, increasing investment and economic opportunity, under the terms set forth in this Agreement.

## THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Description.** Seller agrees to sell and convey and Buyer agrees to purchase, on terms and conditions hereinafter stated, the real property, together with the improvements thereon, ("the Property" or "the City Lot") described as follows:

See Exhibit A, attached and incorporated by reference.

Parcel Number 11-76-0340-0109-00-9

2. **Purchase Price.** The purchase price is SEVEN HUNDRED THOUSAND AND NO/100 (\$700,000.00) DOLLARS, payable upon closing and delivery of a general warranty deed (the "Deed"), subject to (i) the Development Agreement (defined below); (ii) easements and restrictions of record and all pertinent governmental laws, statutes, regulations and requirements; (iii) such state of facts that an accurate current survey and physical inspection of the Property would reveal; including, without limitation, all existing easements and encroachments, if any; (iv) all current real estate taxes, assessments and other sums assessed against the Property and not yet due and payable as of the Closing, subject to prorations for the current year; (v) any title exceptions arising out of the acts of Buyer; (vi) any matter accepted or waived by Buyer pursuant to this Agreement.
3. **Title Insurance.** Within thirty (30) days of the Effective Date, Buyer will order a commitment for an owner's title insurance policy (the "Title Commitment") from a title insurance company acceptable to Buyer (the "Title Company") in the amount of the purchase price, showing title to the Property solely in Seller. Within ten (10) days of the receipt of the Title Commitment, the Buyer may object to any matter disclosed in the Title Commitment by written notice to the Seller ("Title Objection Notice"). Seller shall have thirty (30) days from the date of the receipt of the Title Objection Notice within which to either: 1) cure such defect or agree to cure such defect at or prior to closing, or 2) provide written notice to the Buyer that it will not cure such defect. If the Seller is unable or unwilling to cure such defect, the Buyer may: 1) terminate this Agreement by written notice to Seller, in which case the Deposit shall be returned to Buyer and this Agreement shall, without further action by either party, become null and void; or 2) take title to the Property subject to the defect.
4. **Earnest money deposit.** On signing this Agreement, Buyer shall promptly deposit with the Title Company, as escrow agent ("Escrow Agent") 5% or \$35,000 in certified funds (the Initial Deposit). Escrow Agent will hold and disburse that earnest money as provided below. The Initial Deposit together with any interest (cumulatively, the Deposit), shall constitute a credit against the Purchase Price at closing. The Deposit shall be placed in an interest-bearing account with the interest to accrue and be a part of the Deposit, and be returned to Buyer if Seller defaults as provided in § 13 of this Agreement, or in all other cases, paid to Seller either as part of the Deposit, or as consideration for entering this Agreement if the sale is not closed as provided in this Agreement.

- 5. Closing.** The closing of the sale shall take place at the Title Company, or other agreed upon location, on or before August 25, 2026. However, if the closing cannot be held because of delay in Conditions Precedent under §10, and Buyer has acted with due diligence, Buyer may elect to extend the time of closing by providing notice as provided below for up to two additional periods of 30 days each (Extension Periods) to provide more time to receive those approvals by delivering written notice of that election to extend to Seller and a copy to Escrow Agent. If the closing has not occurred by August 25, 2026 or any elected Extension Periods, this Agreement will automatically terminate, Escrow Agent shall return the Deposit to Seller, and neither Seller nor Buyer shall have any further rights or obligations under this Agreement.

At closing, Seller shall execute, acknowledge, and deliver to Buyer the Deed conveying the Property to Buyer and such other documents as shall be required by the Title Insurance Company or Buyer to complete this transaction. Buyer shall deliver to Seller a wire transfer or a certified, cashier's or Title Insurance Company check payable to Seller in the amount of the Purchase Price, plus or minus any credits due Buyer as provided in this Agreement, the amount of any liens or encumbrances on the Property, and any closing costs payable by Seller.

- 6. Taxes and Prorations.** All taxes which have become a lien upon the Property at the date of this Agreement shall be paid by Seller. All special assessment installments which become due after closing shall be paid by Buyer. Taxes and special assessment installments which are billed in calendar year 2026 shall be prorated and adjusted as of the date of closing in the manner which is the customary accepted practice in Berrien County, Michigan.
- 7. Miscellaneous Expenses.** Buyer shall pay all closing costs, including all applicable transfer taxes, the title insurance premium, the cost to record the deed and other recordable documents, and the closing fee charged by the Title Insurance Company. All of the documents to be supplied by Seller shall be reasonably satisfactory in form and substance to Buyer.

Buyer shall pay for any survey costs, inspection costs, and environmental-related testing and assessments, and all other expenses associated with the Conditions Precedent.

Each party shall be solely responsible for any attorney fees incurred by such party with respect to the transaction contemplated in this Agreement.

- 8. Possession.** Possession shall be granted to Seller upon closing.
- 9. Inspection.** Before closing, Buyer and its authorized agents and representatives shall have the right to enter upon the Property and make any and all environmental assessments, appraisals, inspections, studies, tests, surveys, borings, percolation and other soil, groundwater and miscellaneous tests (including but not limited to testing for structural integrity, hydrocarbons, hazardous wastes, toxic pollutants and other contaminants) as Buyer deems prudent, at Buyer's expense. However, Buyer shall notify Seller and make arrangements for such inspections before proceeding. Seller shall give all reasonable assistance to the Buyer or the Buyer's agents in completing the inspections, audits, and appraisals. Buyer may cancel and declare null and void this Agreement if any of the appraisals, inspections, studies, tests, surveys, borings, percolation and other soil and groundwater and other miscellaneous tests indicate conditions to be

unsatisfactory to Buyer for Buyer's contemplated use. Buyer hereby agrees to hold harmless, defend, and indemnify Seller from any loss, costs, claims, causes of action or damages arising from, relating to, or resulting from any inspections, tests, surveys, tests, studies, or similar activities by Buyer or its agents or representatives on the Property undertaken pursuant to this section 9.

**10. Conditions Precedent.** This Agreement is subject to the following conditions, which Buyer must satisfy at least 30 days before closing as a contingency of the Seller being obligated to close:

- a. **508 Pleasant Street property:** Buyer must obtain ownership of the parcel located at 508 Pleasant Street, St. Joseph, Michigan, located adjacent to the Property.
- b. **Design Approval.** Buyer must obtain all state and local permits and approvals required for the Project plan and design, including but not limited to special use permits, variances, waivers, or other zoning approvals, and engineering approvals. Understanding the need for some flexibility as the project designs are completed, the total number of the Project's residential housing units or the mix of residential housing composition may change by up to ten percent (10%) without requiring an amendment to this Agreement.
- c. **Financing:** The Buyer shall provide all documents, information, and records reasonably requested by the Seller to demonstrate, to the Seller's satisfaction, that the Buyer is in sound financial condition to complete the purchase and proposed development of the Property. Without limiting the generality of the foregoing, Seller must secure and provide evidence of the following as applicable 1.) local and state approval for funding through the Michigan State Housing Development Authority Housing Tax Increment Financing Program to provide market rate residential housing to the public, including 62 rent and/or income restricted units, with income limits of up to 120% of Area Median Income, to be established via a Brownfield Plan approved under applicable law and a development and reimbursement agreement with the City of St. Joseph Brownfield Redevelopment Authority providing tax increment reimbursement for any eligible activities under applicable law; and 2.) verification and proof of secure and reputable equity and debt financing, which may include proof of funding letters from a financial institution with top CAMELS ratings or equivalent recognized rating, irrevocable letters of credit, bank guarantees of payment and completion of construction, or other documents satisfactory to Seller, which show sufficient dedicated finances to allow the Project to fully develop to completion within a three-year time frame.
- d. **Geo-technical Study.** Buyer must obtain and provide to Seller, a geo-technical study that determines the Property is acceptable for the Project plan and design, and that the soils and conditions of the land will support the Project Plan and design and will not jeopardize the stability of the ground, the bluff, or adjacent property.

- e. **Development Agreement.** Buyer and Seller must enter into a mutually acceptable recorded development agreement (the “Development Agreement”) that runs with the title to the Property which includes, but is not limited to, the following substantive terms related to the post-closing development of the Property:
  - a. A covenant to construct, operate, and maintain the Project in compliance with all received zoning and land use approvals.
  - b. A covenant to commence, proceed, and complete the project on specific timelines
  - c. Reasonable financial assurances in the City’s discretion that the Buyer can complete the construction of the Project.
  - d. Repurchase rights for the Seller upon a breach of the Development Agreement by the Buyer, a breach to include, but not be limited to, a failure to obtain the relevant building permits and commence construction within 6 months.
  - e. A Right of First Refusal be granted to the Seller.
  - f. A public parking easement agreement that requires the Buyer to provide a minimum of 57 public parking spaces in the Project to replace those currently on the surface parking lot. The existing parking must remain available to the public until Buyer commences construction of physical improvements on the Property such that the parking cannot reasonably be made available to the public.
  - g. The Property shall be used to provide market rate apartments at no more than 120% of AMI that are approved for the Project; these restrictions shall be a covenant running with the land and shall be contained in and made a part of every deed, mortgage, lease, or other instrument affecting the title to the Property. However, the restriction requiring market rate apartments described above shall be in effect for the duration of the Brownfield Tax Increment Financing associated with the Project and terminate upon its conclusion. This restriction on use of the Property may not be revised, modified, amended or waived, except by mutual agreement of the Parties whose agreement shall be evidenced by a written instrument signed by Seller and Buyer or its successors, and recorded with the Berrien County Register of Deeds.

**11. Representations and Warranties.** Seller represents and warrants to Buyer, which representations and warranties shall survive the closing, as follows:

- a. **Authority.** Seller shall provide Buyer with a resolution of the City Commission of St. Joseph authorizing the offer contained in this Agreement and the sale of the Property to the Buyer based upon the terms and conditions contained in this Agreement. Further, said resolution shall set forth those officers of the Seller having the authorization to execute documents reasonable and necessary to consummate the transaction



contemplated in this Agreement. Seller shall provide said resolution within 10 days of approval of this Agreement.

Buyer shall provide Seller with a corporate resolution authorizing the offer contained in this Agreement and the purchase of the Property from the Seller based upon the terms and conditions contained in this Agreement. Further, said resolution shall set forth those officers of the Seller having the authorization to execute documents reasonable and necessary to consummate the transaction contemplated in this Agreement. Buyer shall provide said resolution within 10 days of approval of this Agreement.

- b. Compliance with Laws.** Seller is not in material violation of any federal, state, or local statute, law, ordinance, regulation, order, or ruling affecting any of the Property, including, but not limited to, any zoning or land use statutes, regulations, orders, or rulings.
- c. Litigation.** Seller and Buyer respectively affirm that they are not engaged in or a party to, nor, to the best of their knowledge, threatened with any legal actions or other proceedings before any court, arbitrator, or administrative agency with respect to the Property, and there are no outstanding orders, rulings, decrees, judgments, or stipulations of any court, arbitrator, or administrative agency to which they are a party or by which the same is bound that may adversely affect the Property or the transactions contemplated by this Agreement.

**12. AS-IS Sale.** Except as otherwise expressly provided in this Agreement, the sale of the Property is made on a strictly AS-IS, WHERE-IS basis, and Buyer expressly acknowledges that the Seller makes no warranty or representation, express or implied, regarding the condition, habitability, merchantability, suitability or fitness for a particular purpose of the Property, or any improvements located thereon, or any environmental conditions, including any soil, perched water, surface water, or groundwater conditions, and any such representation or warranty is expressly disclaimed. Seller further acknowledges and agrees that Buyer has provided Seller with adequate opportunity to conduct its own investigations, assessments, and inspections of the condition of the Property, including environmental conditions. Buyer hereby releases Seller from any claims related to the environmental or other condition of the Property, except as otherwise expressly set forth in this Agreement.

**13. Seller's default.** In the event of any default by Seller that continues without cure for 10 days after delivery by Buyer of notice to Seller, Buyer shall have the right (but not the obligation) to terminate this Agreement by notice to Seller and Escrow Agent within 15 days after the end of the cure period allowed to Seller, or Buyer shall have the right to enforce this Agreement by any remedy available at law or equity. Notwithstanding anything in this Agreement to the contrary, in the event of such a termination, Escrow Agent, if it still holds the Initial Deposit, shall promptly return the Deposit it holds to Buyer.

**14. Buyer's default.** In the event of any default by Buyer that continues without cure for 10 days after the delivery by Seller of notice to Buyer, Seller shall have the right (but not the obligation)

to terminate this Agreement by notice to Buyer and Escrow Agent within 15 days after the end of the cure period allowed to Buyer, or Seller shall have, as its sole remedy, the right to enforce this Agreement by an action for specific performance. Notwithstanding anything in this Agreement to the contrary, in the event of such a termination, Escrow Agent, if it still holds the Initial Deposit, shall promptly deliver the Deposit it holds to Seller.

**15. Survival of Representations and Warranties.** Any and all covenants, representations, warranties, and Agreements made by the parties in this Agreement or in any instrument to be furnished pursuant to this Agreement shall be true through and shall survive the closing. A party agrees to notify the other party promptly if the party becomes aware of any circumstances or occurrence prior to the closing which would make any of the representations or warranties of a party contained in this section is untrue in any material respect.

**16. Commissions.** Buyer and Seller each warrant to the other that to the best of their knowledge, no amounts are due to broker or any other party arising out of this transaction, and each agrees to defend and hold harmless the other from any breach thereof by such breaching party. The parties further agree that Seller shall not be responsible for any broker's commission, finder's fee or similar obligation arising as a direct or indirect result of Seller entering into this Agreement. Further, the parties agree that Buyer shall not be responsible for any broker's commission, finder's fee or similar obligation arising as a direct or indirect result of Buyer entering into this Agreement.

**17. Notices.** All notices to be delivered hereunder shall be sent by U.S. Mail, Certified -Return Receipt Requested, or delivered in person and addressed to the attention of the respective persons set forth below. Each such notice shall be deemed delivered on the first business day following its receipt, refusal, or attempted delivery, as appropriate, at the address of the party to be noticed.

**AS TO THE BUYER:**

The Rienks Group, LLC  
2809 S. 11<sup>th</sup> Street  
Niles, Michigan 49120  
Attn: Peter Rienks

**AS TO THE SELLER:**

City of St. Joseph  
700 Broad Street  
St. Joseph, Michigan 49085  
Attn: City Manager

**18. Severability.** In the event any provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement shall nonetheless remain in full force and effect.

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

**20. 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 transaction contemplated by this Agreement. None of the prior or contemporaneous negotiations, preliminary drafts, or prior versions of this Agreement shall be used by any of



the parties to construe or affect the validity of this Agreement. Each party acknowledges that it has not made or relied on any representations, inducements, or conditions not specified in this Agreement.

- 21. Further Assurances.** The parties hereto hereby agree to cooperate fully in the execution, acknowledgment and delivery of all instruments, pleadings and other papers and to take such other action as may be necessary to further carry out and fully accomplish the intent and purpose of this Agreement.
- 22. Amendments.** This Agreement may be amended only by a written document signed by each of the parties to this Agreement.
- 23. Successor and Assigns.** This Agreement shall bind and benefit the parties and their respective successors and permitted assigns. This Agreement may not be assigned or transferred to another party without the express written consent of both parties.
- 24. Governing Law and Venue.** This Agreement shall be construed in accordance with and governed by Michigan law, without giving effect to conflict of law principles. Venue for any disputes concerning this Agreement shall lie in Berrien County, Michigan.
- 25. Time of Essence.** Time is of the essence of this Agreement.

**DISCLAIMER:** *This Agreement does not supersede any legal procedure required by Buyer's Project plan or its design, including but not limited to site plan approvals, local zoning approval, special use permits, building permits, or engineering or public works approvals, nor shall it be relied upon to guarantee approval of the same. All project plans, designs, and requests will be reviewed and evaluated independently in accordance with all applicable legal standards.*

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement for Sale of Real Estate, effective on the day and year written above.

**"Seller"**

CITY OF ST. JOSEPH, MICHIGAN

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**"Buyer"**

THE RIENKS GROUP, LLC

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Prepared by:

Laurie L. Wightman Schmidt (P43519)  
City of St. Joseph  
700 Broad Street  
St. Joseph, Michigan 49085  
(269) 983-5541

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## EXHIBIT A

### **Legal Description**

Lots One Hundred Nine (109) and One Hundred Ten (110) of the Original Plat of the Village, now City, of St. Joseph, Berrien County, Michigan.

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