

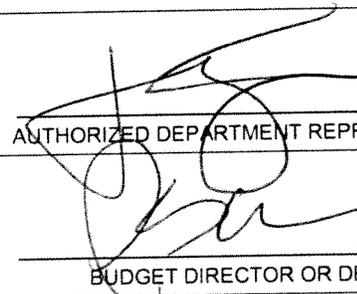
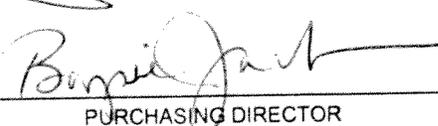
PROFESSIONAL SERVICE CONTRACT TRANSMITTAL RECORD

CONTRACT PO NUMBER 2901672
 STANDARD PO NUMBER
 CHANGE ORDER # 1

Insurance Requirement

ACCOUNTS PAYABLE WILL HOLD UP ALL CONTRACT PAYMENTS UNTIL ALL INSURANCE CERTIFICATES/POLICIES REQUIRED UNDER THE CONTRACT HAVE BEEN RECEIVED. CONTRACTORS SHOULD BE MADE AWARE OF THIS REQUIREMENT.

TYPE OF CONTRACT: (Check One) <input type="checkbox"/> CONSTRUCTION/DEMOLITION <input type="checkbox"/> LICENSE <input type="checkbox"/> DEED <input type="checkbox"/> PROFESSIONAL SERVICES <input checked="" type="checkbox"/> DEV. AGREEMENT	DEPARTMENT HEAD'S SIGNATURE F. Thomas Lewand 	DEPARTMENT PLANNING & DEVELOPMENT
FUNDING SOURCE (Percent) FEDERAL % STATE % CITY % OTHER %	DEPARTMENT CONTACT PERSON ALVIN MITCHELL / scott BRUNMANN	PHONE NO. 224-2375 237-3006
CONTRACTOR'S NAME: GRAND RIVER & SIX MILE, LLC	DATE PREPARED 11-19-2014	
CONTRACTOR'S ADDRESS: 22443 PLYMOUTH DETROIT, MI 48239	ENGINEER'S ESTIMATE <input type="checkbox"/> CONTRACT <input type="checkbox"/> CHANGE <input checked="" type="checkbox"/> TOTAL CONTRACT AMOUNT \$ 0.00 TOTAL CPO AMOUNT \$ 0.00 CHANGE AMOUNT \$ 0.00	
PHONE NO. (248) 977-7799	<input checked="" type="checkbox"/> CORPORATION <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> INDIVIDUAL	
FEDERAL EMPLOYER/SOCIAL SECURITY NUMBER: 20-4728852 MINORITY FIRM <input type="checkbox"/> YES <input type="checkbox"/> NO		
PURPOSE OF CONTRACT: AMENDMENT No. 1 – DEVELOPMENT AGREEMENT – 21310-94 W. GRAND RIVER CHARGE ACCOUNT: N/A – EXTENSION OF TIME ONLY		

TIME & DATE IN	APPROVER MUST ALSO MAKE APPROPRIATE NOTES IN ORACLE PURCHASE ORDER	TIME & DATE IN
	REQUESTING DEPARTMENT  AUTHORIZED DEPARTMENT REPRESENTATIVE	12/5/14
DEC - 5 2014	BUDGET <input checked="" type="checkbox"/> RECOMMEND APPROVAL <input type="checkbox"/> RECOMMEND DENIAL BUDGET DIRECTOR OR DEPUTY	14 DEC - 9 PM 3:45 DEC - 9 2014
	GRANT MANAGEMENT SECTION <input type="checkbox"/> RECOMMEND APPROVAL <input type="checkbox"/> RECOMMEND DENIAL GRANT ACCOUNTANT	
DEC 09 2014	FINANCE DEPARTMENT <input checked="" type="checkbox"/> RECOMMEND APPROVAL <input type="checkbox"/> RECOMMEND DENIAL FINANCE DIRECTOR OR DEPUTY	12/9/14
	LAW DEPARTMENT <input checked="" type="checkbox"/> RECOMMEND APPROVAL <input type="checkbox"/> RECOMMEND DENIAL CORPORATION COUNSEL	12-9-14
	PURCHASING DIVISION  PURCHASING DIRECTOR	12/31/14
CITY COUNCIL APPROVAL JCC REFERENCE: PAGE _____ DATE _____		

CITY OF DETROIT
 FINANCE DEPARTMENT
 PURCHASING DIVISION

Use Only One Set For Each Contract Package

FR @ JAN 26 2015 @ DEC 19 2014

AMENDMENT NO. 1

DEVELOPMENT AGREEMENT

AGREEMENT TO PURCHASE AND DEVELOP LAND

BY AND BETWEEN

CITY OF DETROIT

and

GRAND RIVER & SIX MILE, LLC

(21310-94 W. GRAND RIVER)

OCTOBER 2014

AMENDMENT NO. 1

DEVELOPMENT AGREEMENT

AGREEMENT TO PURCHASE AND DEVELOP LAND

THIS AMENDMENT NO. 1 TO DEVELOPMENT AGREEMENT - AGREEMENT TO PURCHASE AND DEVELOP LAND ("Amendment") by and between the City of Detroit, a Michigan municipal corporation acting by and through its Planning and Development Department ("City"), whose address is 2300 Cadillac Tower, Detroit, Michigan 48226, and Grand River & Six Mile, LLC ("Developer"), a Michigan limited liability company with an office at 22443 Plymouth, Detroit, MI 48239, is made to amend the Development Agreement - Agreement to Purchase and Develop Land dated October 30, 2006 between the City and Developer ("Development Agreement").

WITNESSETH:

WHEREAS, the City and Developer entered into the Development Agreement under which the Developer purchased certain land known as 21310-94 W. Grand River for the purposes of constructing a retail shopping center; and

WHEREAS, the Development Agreement is recorded in the Office of the Register of Deeds for the County of Wayne in Liber 45941 on Pages 212 through 235; and

WHEREAS, it is the mutual desire of the parties hereto to amend the Development Agreement pursuant to Article 22; and

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Increase of the Deadline for Construction of Improvements.** Article 11. Performance of Construction, Section 11.01 Commencement and Completion of the Development Agreement shall be revised as follows:

The last sentence of Section 11.01 that reads "Construction shall be completed within 915 days or 30 months of the date of Closing" shall be deleted and replaced with the following sentence:

"Construction shall be completed within 24 months of the date of City Council approval of this Amendment."

Except as herein specifically amended, all other terms, covenants and conditions of the Development Agreement shall remain in full force and effect, and the same are ratified and confirmed.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as follows:

WITNESSES:

1. Caroline C. Pinsky
Print: Caroline C. Pinsky
2. Alvin Mitchell
Print: Alvin Mitchell

DEVELOPER:

GRAND RIVER & SIX MILE, LLC

BY: [Signature]
Print: ZUHER PUNJA
ITS: MEMBER

WITNESSES:

1. Norman Trotter
Print: Norman Trotter
2. Dinah Trotter
Print: Dinah Trotter

CITY OF DETROIT:

PLANNING & DEVELOPMENT DEPT.

BY: [Signature]
Print: F. Thomas Lewand
ITS: Group Executive For Jobs & Economy

Approved by Detroit City Council on: **DEC 19 2014**

Bonnie Jackson 12/31/14
Chief Performance Officer, Department of
Purchasing Services

In accordance with §18-5-4 of the Detroit City Code, I hereby certify that proper and fair consideration has been received by the City pursuant to this contract.

Approved as to form in accordance with § 7.5-206 of the 2012 City of Detroit Charter.

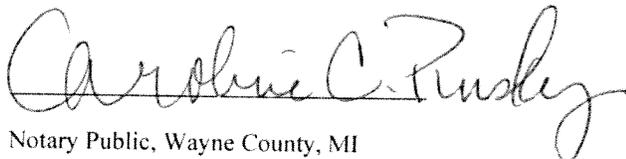
[Signature]
Finance Director

[Signature]
Supervising Assistant Corporation Counsel

DEVELOPER ACKNOWLEDGMENT

STATE OF MICHIGAN)
)SS.
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me on this 12 day of November 2014, by Zuher Qonja, the Member of Grand River & Six Mile, LLC, on behalf of the Michigan limited liability company.



Notary Public, Wayne County, MI

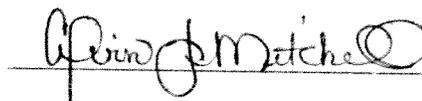
My commission expires: 4/10/2019

Caroline C. Pinsky
Notary Public - Michigan
Wayne County
My Commission Expires 04/10/2019
Acting In Wayne County

CITY ACKNOWLEDGMENT

STATE OF MICHIGAN)
)SS.
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me on this 4th day of December 2014, by F. Thomas Lewand, the Group Executive for Jobs & Economy on behalf of the City of Detroit, Planning & Development Department, on behalf of the Michigan municipal corporation.



Notary Public, Wayne County, MI

My commission expires: 05/10/2018

ALVIN J. ASTHRELL
NOTARY PUBLIC, STATE OF MI
COUNTY OF WAYNE
MY COMMISSION EXPIRES Mar 10, 2018
ACTING IN COUNTY OF WAYNE

Drafted by and when recorded return to:
D. Scott Brinkmann, Assistant Corporation Counsel
City of Detroit, Law Department
2 Woodward Avenue, Suite 500
Detroit, MI 48226

"Exhibit A"
(Former B Precinct Description)

Land in the City of Detroit, County of Wayne and State of Michigan, being Lots 1 thru 6 inclusive, except that part taken for the widening of McNichols Road, 120 feet wide, and Grand River Avenue, 100 feet wide, in the "Perry - Mortenson - Co.'s Redford Subdivision, part of the West 1/4 of the East 1/4 of the Northwest 1/4 of Section 15, Village of Redford T. 1 S., R. 10 E., Wayne County, Michigan", as recorded in Liber 30 Page 24 Plats, Wayne County Records; also

Lots 279, 280, 281 and the South 46 feet of Lot 278 together with the adjoining 8 feet wide public easement in the "Grand River Suburban Subdivision of part of the North 1/4 of Section 15, T. 1 S., R. 10 E., Redford Township and Village, Wayne County" as recorded in Liber 35 Page 16 Plats, Wayne County Records;

all of which is included in and more particularly described as follows;

part of the Northwest 1/4 of Section 15, T. 1 S., R. 10 E., and beginning at the intersection of the South line of McNichols Road, 120 feet wide, and the West line of Trinity Avenue, 60 feet wide; thence South 1 Degree 29 Minutes 00 Seconds East, 196 feet along said West line of Trinity Avenue; thence South 89 Degrees 01 Minutes 15 Seconds West, 165.6 feet; thence North 0 Degrees 11 Minutes 20 Seconds West, 53.05 feet; thence North 61 Degrees 20 Minutes West 123.14 feet; thence South 28 Degrees 40 Minutes West, 250 feet; thence North 61 Degrees 20 Minutes West; 594.12 feet along the North line of Grand River Avenue, 100 feet wide; thence North 8 Degrees 58 Minutes West 5.52 feet; thence North 89 Degrees 01 Minutes 15 Seconds East, 910.94 feet, measured (909.22 feet record), along said South line of McNichols Avenue to the point of beginning;

except that part (reserved for the Radio Tower and its access) described as commencing at the intersection of the south line of McNichols Road, 120 feet wide, and the West line of Trinity Avenue, 60 feet wide; thence along said West line of Trinity Avenue, South 1 Degree 29 Minutes 00 Seconds East, 196 feet to the Southeast corner of Lot 281 of said "Grand River Suburban Subdivision" as recorded in Liber 35 Page 16 Plats, W.C.R.; thence along the South line of said Lot 281, South 89 Degrees 01 Minutes 15 Seconds West, 165.6 feet to the West line of said "Grand River Suburban Subdivision; thence along said subdivision line, North 0 Degrees 11 Minutes 20 Seconds West, 53.05 feet; thence North 61 Degrees 20 Minutes West 123.14 feet; thence South 28 Degrees 40 Minutes West 250 feet to the point of beginning; thence North 78 Degrees 33 Minutes 54 Seconds West 24.56 feet (to the Southeast corner of the Radio Tower enclosure); thence North 0 Degrees 57 Minutes 03 Seconds West 58.36 feet; thence South 89 Degrees 01 Minutes 15 Seconds West 49.30 feet; thence South 01 Degree 11 Minutes 45 Seconds East 58.55 feet; thence South 01 Degree 51 Minutes 39 Seconds West 95.34 feet; thence South 28 Degrees 40 Minutes West 67.55 feet to the North line of said Grand River Avenue, 100 feet wide; thence South 61 Degrees 20 Minutes East along said North line of Grand River Avenue 23.00 feet; thence North 28 Degrees 40 Minutes East 184.35 feet to the point of beginning.

containing a net area of 137,095 Square Feet or 3.15 Acres, more or less;

together with a permanent non-exclusive easement for ingress and egress being part of the Northwest 1/4 of Section 15, T. 1 S., R. 10 E., City of Detroit, Wayne County, Michigan described as follows, commencing at the intersection of the south line of McNichols Road, 120 feet wide, and the West line of Trinity Avenue, 60 feet wide; thence along said West line of Trinity Avenue, South 1 Degree 29 Minutes 00 Seconds East, 196 feet to the Southeast corner of Lot 281 of said "Grand River Suburban Subdivision" as recorded in Liber 35 Page 16 Plats, W.C.R.; thence along the South line of said Lot 281, South 89 Degrees 01 Minutes 15 Seconds West, 165.6 feet; thence North 0 Degrees 11 Minutes 20 Seconds West, 53.05 feet; thence North 61 Degrees 20 Minutes West 123.14 feet; thence South 28 Degrees 40 Minutes West 65.65 feet to the point of beginning; thence North 78 Degrees 33 Minutes 54 Seconds West 24.56 feet (to the Southeast corner of the Radio Tower enclosure); thence South 88 Degrees 48 Minutes 15 Seconds West 49.05 feet; thence South 01 Degree 51 Minutes 39 Seconds West 95.34 feet; thence South 28 Degrees 40 Minutes West 67.55 feet to the North line of Grand River Avenue, 100 feet wide; thence along said North line, South 61 Degrees 20 Minutes East 23.00 feet; thence North 28 Degrees 40 Minutes East 184.35 feet to the point of beginning, containing 6,518 square feet or 0.15 acres more or less.

DESCRIPTION CORRECT
ENGINEER OF SURVEY

By *Dorwin Hardin*

ADA 22/007855-07

21310-21394 Grand River

Exhibit B**Grand River & Six Mile, LLC**21310-21394 W. Grand River
Detroit, MI 48239**PROJECTS DESCRIPTION****GENERAL DESCRIPTION:**

Upon acquisition of the Property, the Grand River & Six Mile, LLC (Developer) shall construct a retail shopping center which will include such stores as a fashion retail clothing store, a shoe store, food establishment and one of the financial institutions.

ZONING:

The proposed development lies within a "B-4" General Business District zoning district, which permits this type of development as-a-right

SITE PLAN DESCRIPTION:

The proposed strip mall will consist two (2) one-story structures. One structure will measure approximately 3,800 square feet and the other structure will range in size from 20,000 to 30,000 square feet the height of each building will not exceed 26 feet. The building exterior shall be of block, brick, and decorative EIFS (dryvit). There will be a decorative awning above all doors and windows. This development will also include an outdoor security system. Set backs shall be included as required by the City of Detroit "Official Zoning Ordinance".

All dumpsters, compactors and other service equipment shall be located at the rear of the building. Ingress/egress to this facility the center shall be along Grand River and McNichols.

PARKING:

There will be approximately 125 off-street parking spaces including handicap parking. The total number of parking spaces provided and number of designated handicapped spaces shall be in accordance with the City of Detroit "Official Zoning Ordinance". All parking lot surfaces shall be paved with an asphalt or Portland cement mix so as to provide a permanent, dustless surface and water runoff drains shall be installed in accordance with City Code. Aisles shall be a minimum of twenty feet (20') wide. Curb cuts shall not exceed fifty feet (50') in total width. Each parking space shall be approximately nine feet (9') wide and have a minimum of one hundred eighty (180) square feet and shall be adequately marked. Where necessary, building, sidewalks and landscaping shall be protected from vehicle damage by concrete wheelstops, steel guard rails or other suitable means at the edge of the parking area.

LANDSCAPING, FENCING AND LIGHTING:

Landscaping shall be composed of grass, shrubbery and/or canopy trees for the unpaved areas. Along with a sufficient irrigation system to the North, South, and West sections of the parking lot.

Lighting for parking lots shall be subdued, shaded and focused away from traffic and neighboring properties. The light poles shall be placed near the end of the parking aisles and the poles shall be no taller than thirty feet (30').

Chain link fencing shall not be permitted in final development on site. Fencing shall be wrought iron or a metal picket style no more than six feet (6') in height. An optional decorative masonry screen wall at least four feet (4') in height may be used as a buffer between the street and the parking lot.

SIGNAGE:

Signage shall conform to the City of Detroit "Official Zoning Ordinance". There will be three signs two on McNichols and the other on Grand River Avenue

REFERENCE:

Reference is made to the preliminary site plans and proposed titled "Grand River & Six Mile Development" submitted by Estec Design, 1880 Wickham Rd., Royal Oak, Michigan 48023 dated October 5, 2006

Detroit City Council

Legislative Policy Division

TO: Purchasing Division Staff
FROM: David Teeter
DATE: December 19, 2014
RE: **PURCHASING ITEMS SUBMITTED TO THE CITY COUNCIL FOR THE
WEEK OF December 15, 2014; HOLDS RELEASED**

The following contracts and purchase orders were reported to the City Council during the Recess Week of December 15, 2014. Under the Recess procedures, approved by the City Council on November 18, 2014, contracts submitted for the Week of December 15 are considered approved and can be processed on Thursday, December 18, 2014, if not held by a Council Member.

The City Clerk's office received 3 requests to hold contracts from the list submitted for the Week of December 15, 2014.

Contracts Requested to Be HELD

2790946,Renew	Trademaster	\$68,071	FIRE
Held by Council President Jones, See attached questions			
2895759,Increase	W-3 Construction Co.	+ \$2,459,000 to \$3,209,000	GEN. SERVICE
Held by Council President Jones, See attached questions; Held by Council Member Tate, HOLD RELEASED, Dec. 19, 2014			
2895761,Increase	Systemp Corp.	+ \$765,000 to \$2,865,000	GEN. SERVICE
Held by Council President Jones, See attached questions; Held by Council Member Tate, HOLD RELEASED, Dec. 19, 2014			
2895764,Increase	Power Light. & Technical	+ \$105,000 to \$705,000	GEN. SERVICE
Held by Council President Jones, See attached questions; Held by Council Member Tate, HOLD RELEASED, Dec. 19, 2014 Held by Council Member Benson, See attached questions			
2508299,Increase	Allen Systems Group	+ \$114,102	INFORM.TECH.SERVICE
Held by Council Member Benson, HOLD RELEASED, Dec. 18, 2014			
2901672,Amend.	Grand River & Six Mile, LLC	No funding	PLAN. & DEVELOPMT.
Held by Council Member Benson, HOLD RELEASED, Dec. 18, 2014			

Purchasing Staff
Contracts Held and Approved from List
Submitted Week of Dec. 15, 2014

Page 3

The following contract, submitted for the Week of December 8, 2014, was held; The Hold has been released by the Council Member and the contract is now APPROVED.

2853050, Renew LaGarda Security \$1,968,200 GEN.SERVICE / MUN.PARK
Held by Council Member James Tate, **HOLD RELEASED, Dec. 19, 2014**

cc: City Council offices

AUTO-OWNERS INS. CO.

AGENCY DOTY AGENCY INC
01-0176-00 MKT TERR 102

Company POLICY NUMBER 062311-06819938-14
Bill

INSURED GRAND RIVER & SIX MILE LLC

Term 05-24-2014 to 05-24-2015

COMMERCIAL GENERAL LIABILITY COVERAGE

LIMITS OF INSURANCE

General Aggregate	\$2,000,000
(Other Than Products-Completed Operations)	
Products-Completed Operations Aggregate	2,000,000
Personal Injury And Advertising Injury	1,000,000
Each Occurrence	1,000,000

Commercial General Liability Plus Endorsement

Damage to Premises Rented to You	300,000	Any One Premises
(Fire, Lightning, Explosion, Smoke or Water Damage)		
Medical Payments	10,000	Any One Person
Hired Auto & Non-Owned Auto	1,000,000	Each Occurrence

Expanded Coverage Details See Form:

- Extended Watercraft
- Personal Injury Extension
- Broadened Supplementary Payments
- Broadened Knowledge Of Occurrence
- Additional Products-Completed Operations Aggregate
- Blanket Additional Insured - Lessor of Leased Equipment
- Blanket Additional Insured - Managers or Lessors of Premises
- Newly Formed or Acquired Organizations Extension
- Blanket Waiver of Subrogation

Twice the "General Aggregate Limit", shown above, is provided at no additional charge for each 12 month period in accordance with form 55300.

AUDIT TYPE: Non-Audited

FORMS THAT APPLY TO THIS COVERAGE: 59350 (01-08) 55146 (06-04) 55238 (06-04)
55300 (07-05) CG0168 (10-92) IL0017 (11-85) IL0286 (12-90) 55170 (12-04)
55091 (10-08) 55296 (09-09) IL0021 (07-02) 55513 (11-11)

LOCATION OF PREMISES YOU OWN, RENT OR OCCUPY

LOC 001 BLDG 001 21310-94 Grand River Ave
Detroit, MI 48219-3850

TERRITORY: 010 COUNTY: Wayne

Classification	Subline	Premium Basis	Rates	Premium
Commercial General Liability Plus Endorsement Included At 7.5% Of The Premises Operation Premium	Prem/Op	Prem/Op Prem Inc	Inc	Inc

Auto-Owners Insurance Company

COMMERCIAL GENERAL LIABILITY
55170 (12-04)Z

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - STATE OR POLITICAL SUBDIVISIONS - PERMITS RELATING TO PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

SCHEDULE

State or Political Subdivision:

CITY OF DETROIT, PLANNING & DEVELOPMENT, 2300 CADILLAC TOWER
DETROIT, MI 48226

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

A. SECTION II - WHO IS AN INSURED is amended to include as an additional insured any state or political subdivision shown in the Schedule, subject to the following additional provision:

This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with premises you own, rent, or control and to which this insurance applies:

1. The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistway openings, sidewalk vaults, street banners, or decorations and similar exposures; or

2. The construction, erection, or removal of elevators; or
3. The ownership, maintenance, or use of any elevators covered by this insurance.

B. Under SECTION III - LIMITS OF INSURANCE, the following is added:

The limits of liability for the additional insured are those specified in the written contract or agreement between the insured and the state or political subdivision, not to exceed the limits provided in this policy. These limits are inclusive of and not in addition to the limits of insurance shown in the Declarations.

01/11/12

City Council Contract Agenda Items Review Checklist

Reviewer: _____ Date Received: _____

Date: December 09, 2014 Department: Planning & Development Division: Real Estate Development

Dept Head/Contact Person: Trisha Stein, Int. Director/Alvin Mitchell, Proj. Mgr. Phone No.: 224-2570/224-2375

Description: Amendment 1 – Development Agreement Contract No.: 2901672 PO Type: N/A

Est. Value: N/A

Contract Term (if applicable): 24 Months from Council approval of the Amendment

Funding: City % State % Federal % Other: %

(Documentation must be furnished by the Dept. if anything other than City funding)

Recommended Supplier: Grand River & Six Mile LLC

Required Date: _____

1. Is the product or service ESSENTIAL to department operations? Yes No **N/A**

If "Yes" please explain why: N/A

Consequence of not buying: Limited or no public access to Fort Wayne.

2. Was the product or service competitively bid? Yes No **N/A**
(Request copies of bid tabulation/evaluation score sheets as needed)

If the answer to #2 is "NO" explain why there was no competition: Renewal of existing contract. Mr. Conway has been working at Fort Wayne for several years.

3. Was a Co-Operative Agreement Considered? Yes No Co-Operative Name: _____ **N/A**
If answer to #3 is "No" explain why a Co-Op was not considered: N/A

4. Were savings achieved? **N/A**
 Yes Amount \$ _____ No
Were additional savings requested? (10%) Yes No
Contractor received a 10% reduction in 2011-12.

5. Does the supplier currently provide other goods and services to the City? Yes No
If yes please list:

6. The business being awarded is EXTENSION OF EXISTING CONTRACT for 24 months to develop property the City sold to the Developer (21310-94 W. Grand River)
If #6 is a renewal provide justification for renewal: _____
If #6 is a increase/decrease does this represent:

01/11/12

- Variance in unit price only (Current unit price \$ Suggest Unit Price \$)
 Change in amount/volume of the good or service to be used (no change in unit price)

7. Is this good/service used by other departments? Yes No **N/A**
If "yes" can this req/par be combined other department requirements? Yes No

8. Is this a service that can be performed by City employees? Yes No **N/A**
Is this a service that City employees can be trained to do? Yes No

NOTES:

Mr. Conway has worked at Fort Wayne under contract with the Recreation Department for the last several years. Prior to working under contract with the Recreation Department, Mr. Conway was a City Employee with the Historical Department where he was directly involved in the operation of Fort Wayne. Additionally, Mr. Conway was inducted into the armed forces and trained at Fort Wayne. He has extensive historical knowledge of the property, has completed countless personal hours researching the history of the property and has co-authored a book on the history of Fort Wayne as well.

PLACE ON CITY COUNCIL AGENDA

REJECT AND NOTIFY DEPARTMENT DIRECTOR:

SIGNED: _____ DATE: _____

INFORMATION PROVIDED BY: Alvin Mitchell

TITLE: Project Manager

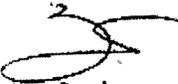
PHONE NO. 224-2375

Grand River and Six Mile, LLC
22443 Plymouth Rd.
Detroit, MI 48239

Scott Brinkmann, Esq.
City of Detroit, Law Department
2 Woodward Ave. 5th Floor
Detroit, MI 48226

This letter is to certify that Grand River and Six Mile, LLC does not have any employees, therefore does not carry any workers compensation coverage. In the event that Grand River and Six Mile, LLC does hire employees, we will provide the respective insurance covered required by the development agreement.

Sincerely,

 11/19/14
Zuher Qonja
Its, Authorized Member



REQUEST FOR INCOME TAX CLEARANCE

REQUESTING DEPARTMENT/DIVISION: LAW

E-MAIL ADDRESS: sbrinkma@detroitmi.gov

CONTACT NAME: Scott Brinkmann PHONE: 237-3006 FAX: 224-5505

Type of Clearance: New Renewal (Please submit 30 days prior to submitting bid or expiration date)

A.

To: City of Detroit
 Income Tax Division
 Coleman A. Young Municipal Center
 2 Woodward Avenue, Ste. 512
 Detroit, MI 48226

For: Individual or
 Company Name Grand River & Six Mile, LLC
 Address 22443 Plymouth

City Detroit
 State MI Zip Code 48239
 Telephone 248.977.7799 Fax # _____
 E-mail Address parkwestdevelopment@comcast.net

B. Name of Chief Financial Officer/Authorized Contact Person
 (include address if different from above)

Joe Qonja Steve Qonja Telephone # 248 977.7799 586 242 2288
 Fax # _____

Employer Identification or Social Security Number
20-4728852 Spouse Social Security Number _____

Nature of Contract _____ BID CONTRACT AMOUNT (if known):
 Labor: \$ _____ Material: \$ _____
 Contract # (if known) _____

C. ALL QUESTIONS MUST BE ANSWERED TO EXPEDITE APPROVAL PROCESS. ANY QUESTION NOT ANSWERED MAY RESULT IN A DENIAL OF INCOME TAX CLEARANCE.

Check One: Individual Corporation Partnership Estate & Trust

INDIVIDUALS ANSWER QUESTIONS 1,2,3,4.

- Have you filed joint returns with spouse during the last seven (7) years? (If yes, include spouse SSN above) Yes No
- Are you a student, and/or claimed as a dependent on someone else's tax return? Yes No
- Were you employed during the last seven (7) years? Yes No
- Were you a resident of Detroit during the last seven (7) years? Yes No

CORPORATIONS AND PARTNERSHIPS ANSWER QUESTIONS 5,6,7.

- Is the company a new business in Detroit? If yes, attach Employer Registration (Form DSS-4). Yes No
- Will the company have employees working in Detroit? Yes No
- Will the company use sub-contractors or independent contractors in Detroit? Yes No

D. FOR INCOME TAX USE ONLY

Has the contractor complied with the provisions of the City Income Tax Ordinance?

Yes No Signature COURTNEY BONES Expires DEC 03 2014
 Yes No Signature Supervising Income Tax Inv Date 12-4-2014 Expires 12-4-2015
 Yes No Signature _____ Date _____ Expires _____

VISIT OUR WEBSITE FOR INFORMATION AND TAX FORMS AT: www.detroitmi.gov

NOTE: An approved Income Tax Certificate may be used in multiple city wide departments that require a bid. Please e-mail your completed request form (preferably in pdf format) to: IncomeTaxClearance@detroitmi.gov

CITY OF DETROIT
 ACCOUNTS RECEIVABLE CLEARANCE FORM
 PLEASE FORWARD TO ROOM 1012
 COLEMAN A YOUNG MUNICIPAL CENTER
 REVENUE COLLECTIONS (313) 224-1849/2699 FAX: 224-4238

SECTION A: FROM: CITY ENGINEERING HEALTH LAW POLICE
 RECREATION WATER & SEWAGE
 OTHER: _____

ADDRESS OF DEPARTMENT: 2 Woodward Ave., Suite 500 Detroit, MI 48226

DATE SENT: November 19, 2014

CONTACT PERSON: Scott Brinkmann

PHONE NUMBER: 313.237.3006

DATE SENT: _____

FAX: _____

SECTION B: CORPORATION

LICENSE TYPE: _____

CORPORATION NAME: Grand River & Six Mile, L.L.C.

ADDRESS: 22443 Plymouth, Detroit, MI 48239

OWN LEASE CURRENT TAX IDENTIFICATION NUMBER: 20-4728852

OTHER CITY/STATE TAX IDENTIFICATION NUMBER (S) PREVIOUSLY USED: _____

CONTACT PERSON: Joe Qonja

PHONE NUMBER: 248.977.7799

SECTION C: PARTNERSHIP

LICENSE TYPE: _____

BUSINESS NAME: _____

ADDRESS: _____

OWN LEASE CURRENT TAX IDENTIFICATION NUMBER: _____

OTHER CITY/STATE TAX IDENTIFICATION NUMBER (S) PREVIOUSLY USED: _____

A: PARTNER'S NAME: _____

PHONE NUMBER: _____

HOME ADDRESS: _____

CITY/STATE/ZIP: _____

OWN LEASE

SOCIAL SECURITY NUMBER: _____

OTHER CITY PROPERTY OWNED ADDRESSES: _____

B: PARTNER'S NAME: _____

PHONE NUMBER: _____

HOME ADDRESS: _____

CITY/STATE/ZIP: _____

OWN LEASE

SOCIAL SECURITY NUMBER: _____

OTHER PROPERTY ADDRESSES OWNED WITHIN DETROIT: _____

CONTACT PERSON: _____

PHONE NUMBER: _____

SECTION D: SOLE PROPRIETORSHIP

LICENSE TYPE: _____

OWNER'S NAME: _____

HOME ADDRESS: _____

OWN LEASE

CITY/STATE/ZIP: _____

BUSINESS NAME: _____

OWN LEASE

BUSINESS ADDRESS: _____

PHONE NUMBER: _____

CITY/STATE/ZIP: _____

CURRENT TAX IDENTIFICATION NUMBER: _____

OTHER CITY/STATE TAX IDENTIFICATION NUMBER (S) PREVIOUSLY USED: _____

OTHER PROPERTY ADDRESSES OWNED WITHIN DETROIT: _____

SECTION E: PERSONAL SERVICES

NAME: _____

CITY/STATE/ZIP: _____

SOCIAL SECURITY NUMBER: _____

OTHER PROPERTY ADDRESSES OWNED WITHIN DETROIT: _____

PHONE NUMBER: _____

**REVENUE COLLECTIONS
 APPROVED
 CONTRACT CLEARANCES**

FOR TREASURY COLLECTION USE ONLY!

FOR INCOME TAX DIVISION USE ONLY

APPROVED PENDING DENIED W/ATTACHMENTS

APPROVED

PENDING

DENIED

CLEARANCE VALID UNTIL **AUG 30 2015**

SIGNATURE

DATE

SIGNATURE

DATE

Monette Am... 11-24-14

REVISED 7-12-2012
COVENANT OF EQUAL OPPORTUNITY
(Application for Clearance - Terms Enforced After Contract is Awarded)

I, being a duly authorized representative of Grand River & Six Mile, LLC (hereinafter "Contractor"), am hereby authorized to enter into a Covenant of Equal Opportunity, (hereinafter "Covenant") with the City of Detroit, ("hereinafter" City); obligating the Contractor and all sub-contractors, not to discriminate against any employee or applicant for employment, training, education, or apprenticeship connected directly or indirectly with the performance of the contract, with respect to his/her hire, promotion, job assignment, tenure, terms, conditions or privileges of employment because of race, color, religious beliefs, public benefit status, national origin, age, marital status, disability, sex, sexual orientation, or gender identity or expression; except as otherwise exempted under City Code, Ordinance No. 27-2-12.

Contractor will ensure that the City of Detroit Human Rights Department shall receive notification of all potential sub-contractors and a copy of their Covenant prior to the commencement of work on any City of Detroit contract. Contractor further agrees that the City of Detroit reserves the right to require additional information prior to, during, and at any time after the Covenant is fully executed.

Furthermore, Contractor agrees that this Covenant is valid for the life of the contract and/or for a specified period of time as indicated below and that a breach of this Covenant shall be deemed a material breach of contract and be subject to damages pursuant to City Code, Ordinance No. 27-3-2, Section (e).

RFQ / PO No.: (if applicable) Amendment 1 - Development Agreement - 21310-94 W. Grand River

Duration of Covenant 11-19-2014 to 24 months from Council approval of the Amendment

Printed Name of Contractor/Organization Grand River & Six Mile, LLC
 (Type or Print Legibly)

Contractor Address 22443 Plymouth, Detroit MI 48239
 (City) (State) (Zip)

Contractor Phone/E-mail 248.977.7799 / joeq_realestate@gmail.com
 (Phone) (E-mail)

Printed Name & Title of Authorized Representative ZUIFEN PUNJA, MEMBER

Signature of Authorized Representative: _____

Date: 11/20/14

Signature of Notary: _____
 Printed Name of Seal of Notary: Hassan Najor
 My Commission Expires: 08/20/2016

HASSAN NAJOR
 Notary Public, State of Michigan
 County of Oakland
 My Commission Expires Aug. 20, 2016
 Acting in County of Oakland

FOR CONTRACTING DEPARTMENT USE ONLY:

Date Rec'd: 11/20/14 Received by: SCOTT BRIN KRAMANN Title: ASSISTANT CORP. COUNSEL

Please fax a COPY of the notarized Covenant and Award Letter to the Human Rights Department (313) 224-3434

AUTO-OWNERS INS. CO.

Page 2

55040 (11/87)
Issued 04-17-2014

AGENCY DOTY AGENCY INC
01-0176-00 MKT TERR 102

Company POLICY NUMBER 062311-06819938-14
Bill

INSURED GRAND RIVER & SIX MILE LLC

Term 05-24-2014 to 05-24-2015

COMMERCIAL GENERAL LIABILITY COVERAGE

LIMITS OF INSURANCE

General Aggregate (Other Than Products-Completed Operations)	92,000,000
Products-Completed Operations Aggregate	2,000,000
Personal Injury And Advertising Injury	1,000,000
Each Occurrence	1,000,000

Commercial General Liability Plus Endorsement

Damage to Premises Rented to You (Fire, Lightning, Explosion, Smoke or Water Damage)	300,000 Any One Premises
Medical Payments	10,000 Any One Person
Hired Auto & Non-Owned Auto	1,000,000 Each Occurrence

Expanded Coverage Details See Form:

- Extended Watercraft
- Personal Injury Extension
- Broadened Supplementary Payments
- Broadened Knowledge Of Occurrence
- Additional Products-Completed Operations Aggregate
- Blanket Additional Insured - Lessor of Leased Equipment
- Blanket Additional Insured - Managers or Lessors of Premises
- Newly Formed or Acquired Organizations Extension
- Blanket Waiver of Subrogation

Twice the "General Aggregate Limit", shown above, is provided at no additional charge for each 12 month period in accordance with form 55300.

AUDIT TYPE: Non-Audited

FORMS THAT APPLY TO THIS COVERAGE: 59350 (01-08) 55146 (06-04) 55238 (06-04)
55300 (07-05) CG0168 (10-92) IL0017 (11-85) IL0286 (12-90) 55170 (12-04)
55091 (10-08) 55296 (09-09) IL0021 (07-02) 55513 (11-11)

LOCATION OF PREMISES YOU OWN, RENT OR OCCUPY

LOC 001 BLDG 001 21310-94 Grand River Ave
Detroit, MI 48219-3850

TERRITORY: 010 **COUNTY:** Wayne

Classification	Subline	Premium Basis	Rates	Premium
Commercial General Liability Plus Endorsement Included At 7.5% Of The Premises Operation Premium	Prem/Op	Prem/Op Prem Inc	Inc	Inc

Zenola Holland - Affidavits Not required for Real Estate Transaction Agreements

From: Scott Brinkmann
To: Jackson, Boysie
Date: 12/10/2014 9:15 AM
Subject: Affidavits Not required for Real Estate Transaction Agreements
Cc: Holland, Zenola; Willis, Lena

Boysie -

Can you please confirm that neither the Hiring Policy Compliance Affidavit (and job application), nor the Slavery Era Records Affidavit are required for real estate transaction agreements, including Purchase Agreements, Development Agreements, Lease Agreements and License Agreements, etc.

Since these types of real estate transaction agreements are not for the purchase of goods/services, the Hiring Policy Compliance Affidavit (and job application) and Slavery Era Records Affidavit are **not** required.

As you are aware:

Regarding the Hiring Policy Compliance Affidavit:

Sec. 18-5-82. - Applicability.

(a) This division shall apply to all contracts, which the City of Detroit enters into, whether for goods or services and whether or not subject to competitive bid, where the contract is for the amount of \$25,000.00 or more.

Regarding the Slavery Era Records Affidavit:

Sec. 18-5-91. - Scope.

(a) This division shall apply to each contractor for goods or services with which the City enters into a contract, whether or not the contract is subject to competitive bid.

Please confirm. Thanks.

- Scott

D. Scott Brinkmann, Esq.
Assistant Corporation Counsel
City of Detroit, Law Department
313.237.3006
313.224.5505 - (Fax)
sbrinkma@detroitmi.gov

This communication may be subject to the attorney-client privilege or the work product doctrine. If you are not the intended recipient, you are notified that any use, dissemination, duplication, or retention of the communication is neither allowed nor intended.

2007 FEB -5 PM 1:31
BERNARD J. YOUNGBLOOD
REGISTER OF DEEDS
WAYNE COUNTY, MI

DEVELOPMENT AGREEMENT

AGREEMENT TO PURCHASE AND DEVELOP LAND

BY AND BETWEEN

CITY OF DETROIT

and

Grand River & Six Mile, LLC

a Michigan Limited Liability Company

(21310-04 W. Grand River)

THIS AGREEMENT TO PURCHASE AND DEVELOP LAND is entered into as of October 30, 2006 by and between the CITY OF DETROIT, a Michigan public body corporate, acting by and through the Planning and Development Department, whose address is 2300 Cadillac Tower, Detroit, Michigan 48226, referred to herein as the "City", and Grand River & Six Mile, LLC, a Michigan Limited Liability Company, whose address is 22443 Plymouth, Detroit, MI 48239, referred to herein as "Developer".

RECITALS:

A. Developer has offered to purchase and develop land located in the City of Detroit, the legal descriptions of which is set forth on Exhibit A attached hereto and incorporated by reference. In accordance with the terms, covenants, and conditions of this Agreement.

B. Developer has represented to the City that it has the qualifications and financial ability to develop the land in accordance with this Agreement.

C. The City believes that the development of the Property pursuant to this Development Agreement and the fulfillment generally of this Development Agreement are in the best interests of the City and the health, safety and welfare of its residents.

In consideration of the foregoing recitals and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE 1. DEFINITIONS

The following words and expressions shall, wherever they appear in this Agreement, be construed as follows:

1.01 "Advance" shall mean those funds deposited with the City by Developer prior to the execution of this Agreement as set forth in Section 3.02.

1.02 "Affiliate" shall mean a parent, subsidiary or other company controlling, controlled by or in common control with Developer.

1.03 "Agreement" shall mean this Agreement and the following Exhibits and Schedules attached hereto and expressly made a part hereof:

- Exhibit A Description of Property
- Exhibit B Site Plan Summary
- Exhibit C Quit Claim Deed
- Exhibit D Irrevocable Power of Attorney
- Exhibit E Developer's Commitments Regarding the Goals of Executive Order 22 and Executive Order 4

AGR 78 GR 24P S DS

Exhibit F Historic Rehabilitation Guidelines (If applicable, attach Exhibit. See Section 1.3.01 c. If not applicable, delete this reference to Exhibit F.)

Schedule 1 Certificate of Authority for Limited Liability Company

1.04 "Agreement Term" shall mean the period of time from the date this Agreement is executed until the Certificate of Completion is issued by the City or this Agreement is terminated.

1.05 "Associate" shall mean any consultant, contractor, subcontractor, or any other party engaged by Developer and the agents and employees of said parties engaged by Developer to undertake any of the activities associated with the performance of this Agreement.

1.06 "Certificate of Completion" shall mean the written certification issued by the City as provided in Section 11.02 upon the completion by Developer of all improvements on the Property in accordance with the terms and conditions of this Agreement.

1.07 "City" shall mean the City of Detroit, a Michigan public body corporate.

1.08 "Closing" shall mean a date agreed upon by the parties hereto for the transfer of title to the Property, but in no event shall said date be more than One (1) year(s) from the date of this Agreement.

1.09 "Construction Plans" shall mean all plans, drawings, specifications, related documents, and construction progress schedule, respecting the improvements to be constructed on the Property by Developer.

1.10 "Deed" shall mean the Quit Claim Deed conveying the Property to Developer by the City in substantially the form as attached hereto as Exhibit C.

1.11 "Developer" shall mean the party specified as such in the preamble to this Agreement, its employees and agents and its successors, assigns, personal representatives, executors, and administrators.

1.12 "Development Plan" shall mean that plan prescribing certain land uses, objectives and restrictions approved and adopted by the Detroit City Council on N/A, JCC page(s) N/A, recorded in the Office of the Wayne County Register of Deeds, Liber N/A, Pages N/A through N/A, and entitled N/A, which is incorporated in this Agreement by reference and made a part hereof.

1.13 "Encumbrance" shall mean any covenant, license, right of way, easement, limitation, condition, reservation, restriction, right of option, mortgage, pledge, lien, construction lien, mechanic's lien, charge, conditional sale or other title retention agreement or arrangement, encumbrance, lease, sublease, security interest, or trust interest.

1.14 "Event of Default" and "Default" shall have the meanings set forth in Article 16 of this Agreement.

1.15 "Improvements" shall mean the construction proposed in the preliminary development proposal submitted to the City by Developer containing site plans and elevation drawings relative to the uses Developer agrees to construct on the Property a summary of which is set forth in Exhibit B attached hereto and made a part hereof.

1.16 "P&DD" shall mean the City of Detroit Planning and Development Department.

1.17 "Project" shall mean the development of the Property and the construction of the improvements thereon in accordance with this Agreement.

1.18 "Property" shall mean that parcel of land identified by street address as 21310-21394 W. Grand River and located in the City of Detroit, as more particularly described in Exhibit A attached hereto and made a part hereof.

1.19 "Purchase Price" shall mean that sum specified in Section 3.01 hereunder to be paid to the City by Developer in consideration for the City conveying the Property to Developer for development in accordance with the terms of this Agreement.

ARTICLE 2. ENGAGEMENT OF PARTIES

2.01 Engagement. The City hereby agrees to convey the Property in consideration of Developer's agreement contained herein to purchase and develop the Property in accordance with the terms, conditions and covenants of this Agreement. Developer agrees to purchase and develop the Property in accordance with the terms, conditions and covenants of this Agreement.

2.02 City Approval of Agreement. Prior to closing and the delivery of the Deed, Developer shall have no authority to commence construction activities on the Property without prior written approval by the City. In no event shall Developer commence construction activities prior to the recording of this Agreement with the Office of the Wayne County Register of Deeds. The City will pay the cost of recording this Agreement.

ARTICLE 3. SALE / COMPENSATION

3.01 Purchase Price. Subject to the terms, covenants, and conditions of this Agreement, Developer agrees to purchase and develop, and the City agrees to convey, the Property for the price of Three Hundred Twenty Four Thousand Dollars (\$324,000.00) to be paid by certified or cashier's check simultaneously with the delivery of the Deed.

3.02 Advance. The Advance of Thirty Four Thousand Four Hundred and 00/100 Dollars (\$34,400.00), to be deposited with the City by Developer prior to the execution of this Agreement, is to be held by the City as security for the performance of the obligations of Developer contained herein. Upon the issuance of the Certificate of Completion, the Advance will be returned to Developer without interest. If Developer does not satisfy the requirements for issuance of the Certificate of Completion in accordance with the terms of this Agreement, the City is entitled to retain the Advance in whole or in part, in the City's discretion, without rebate to Developer, in partial settlement of any claims it may have against Developer for breach of this Agreement.

ARTICLE 4. TITLE INSURANCE/DEED

4.01 Title Insurance.

a. **Commitment.** Prior to Closing, the City will deliver to Developer a commitment for an owner's title insurance policy for the Property subject to the terms, covenants, and conditions of this Agreement and standard exceptions (the "Title Commitment"). The Title Commitment will be in the amount of the Purchase Price and will be issued by a responsible title insurance company, as selected by the City, licensed to do business in the State of Michigan. Developer shall have the right, promptly upon receipt of a copy of said commitment, to identify in writing those exceptions and/or title encumbrances identified therein that are unacceptable to it, in which event the City shall have reasonable opportunity (but not the obligation) to cure or remove such exceptions (if any) and to satisfy any other requirements set forth therein. The City's failure or inability to do so, or conscious decision not to do so, communicated in writing to Developer, shall give Developer the right to terminate this Agreement and be relieved of all further obligation to perform hereunder, in which event the City shall promptly return any and all funds deposited by Developer with the City as an Advance as defined in § 3.02 herein above.

b. **Policy.** The City WILL NOT order or pay the premium for an owner's policy of title insurance, nor will the City provide any estoppel or seller's certificate to the Developer or the title insurance company. Any title insurance policy insuring Developer's title to the Property, whether an owner's or mortgage policy, with or without standard exceptions, will be at Developer's expense.

4.02 Title/Deed.

a. **Conveyance.** At the Closing, if Developer has complied with all of those terms and conditions precedent to Closing as specified hereunder, the City will deliver the Deed to the Property to Developer.

b. **Title conveyed.** Such conveyance and title shall be a determinable fee pursuant to Sections 13.01 and 15.02, and shall, in addition to the conditions and covenants hereinafter provided for, be subject to existing easements and restrictions of record, all applicable zoning and building laws, and other encumbrances (if any) specifically referred to in Exhibit A. Developer acknowledges that the City has not made, and by execution of this Agreement or any Deed does not make, any representations or warranties whatsoever with respect to title to the Property.

ARTICLE 5. TAXES AND ASSESSMENTS

5.01 Property on Tax Rolls at Closing. In the event that the Property is on the tax rolls at the date of Closing, all taxes and assessments which have become a lien upon the Property at the date of Closing shall be paid by the City provided that current City and County taxes shall be prorated and adjusted to the date of Closing or transfer of possession, whichever is earlier, on a due date basis.

5.02 Property Not on Tax Rolls at Closing. In the event that the Property is not on the tax rolls at the date of Closing, Developer agrees to pay to the City at Closing an amount equal to the ad valorem taxes which would have been levied had the Property been on the tax rolls, prorated from the date of Closing or transfer of possession, whichever is earlier, to the dates when the next tax bills are issued after the date the Property is placed back on the tax rolls. The Property will be placed back on the tax rolls as of December 31 of the year in which the Closing or transfer of possession takes place. For example, if the date of Closing or transfer of possession is on or before December 31, 2004, the Property would be placed back on the tax rolls effective December 31, 2004, and the next tax bills issued would be July 1, 2005 for the summer taxes and December 1, 2005 for the winter taxes. The payment for taxes would be prorated to June 30, 2005 and November 30, 2005, respectively. If the date of Closing and transfer of possession take place on or after January 1, 2005, the Property will not be placed on the tax rolls until December 31, 2005, and tax bills will not be issued until July 1 and December 1, 2006. In that case, the payment for taxes would be prorated to June 30 and November 30, 2006.

ARTICLE 6. REPRESENTATION AND WARRANTIES

6.01 Inducement. In order to induce the City to enter into this Agreement, Developer represents and warrants to the City that:

a. Organization and Qualification. It is a duly organized corporation, partnership, limited liability company, joint venture, or sole proprietorship [as applicable], validly existing and in good standing under the laws of the State of Michigan, and has full power and authority to carry on its business as it is now being conducted.

b. Power to make Agreement. It has the power to make, deliver and perform this Agreement and finance the improvements in accordance with the terms and conditions of this Agreement and has taken all necessary action to authorize the foregoing and to authorize the execution, delivery and performance of this Agreement.

c. Lack of Legal Impediments. The execution, delivery and performance of this Agreement will not violate any provision of any existing law, regulation, order or decree of any court or governmental entity, the violation of which would or could materially affect its ability to fulfill its obligations under this Agreement, or any provision of Developer's organizational documents (e.g., charter, articles of incorporation, articles of organization, partnership agreement, bylaws or operating agreement) and will not violate any provision of, or constitute a default under, any agreement or contract to which it is a party, the violation of which would or could materially affect its ability to fulfill its obligations under this Agreement.

d. Legal Operation. It is, to the best of its knowledge, in compliance with all existing laws and regulations applicable to it, the violation of which would or could materially adversely affect its operations or would or could materially adversely affect its ability to fulfill its obligations under this Agreement.

e. Litigation. As of the date of this Agreement, no litigation or administrative proceeding of or before any court or administrative body is presently pending, nor, to its knowledge, is any such litigation or proceeding presently threatened, against it or any of its property, that, if adversely determined, would or could materially affect its ability to fulfill its obligations under this Agreement.

f. Financial Statements. The financial statements previously submitted to the City in connection with this Agreement (i) are complete and correct in all material respects, (ii) accurately present its financial condition as of the dates, and the results of its operations for the periods, for which same have been furnished, and (iii) have been prepared in accordance with generally accepted accounting principles consistently followed throughout the periods covered thereby.

g. Other Information. To the best of its knowledge, all other written information, reports, papers, and data given to the City by Developer with respect to it are accurate and correct in all material respects and substantially complete insofar as completeness may be necessary to give the City a true and accurate knowledge of the subject matter and all projections of future results are, in its opinion, reasonable.

h. Other Agreements. To the best of its knowledge, it is not a party to any agreement or instrument materially and adversely affecting its present or proposed business, properties or assets, operation or condition, financial or otherwise, not disclosed to the City in writing; and it is not in default in the performance, observance, or fulfillment of any of the material obligations, covenants, or conditions set forth in any agreement or instrument to which it is a party, the violation of which would or could materially affect its ability to fulfill its obligations under this Agreement.

i. Brokerage and Finder's Fees and Commissions. It will indemnify the City and hold it harmless with respect to any commissions, fees, judgments, or expenses of any nature and kind which it may become liable to pay by reason of any claims by or on behalf of brokers, finders or agents incident to this Agreement and the transaction contemplated hereby resulting from any acts by Developer or any litigation or similar proceeding arising therefrom unless the City has by separate agreement provided for such payment.

j. Security Ownership. The listing of the record owners owning ten percent (10%) or more of the securities or membership interests issued by Developer and Affiliates as of the date of this Agreement which indicates the names of such record owners, their percentage ownership thereof, the type of security or interest owned thereby, the number of shares or units of such security or interest and the issuer thereof, is true and complete in all respects. It has no knowledge of any persons or entities other than the record owners of said securities or interests having any beneficial or other interest therein.

8.02 Survival. All of the representations and warranties contained in this Article 6 or pursuant hereto shall survive the delivery of the Deed and shall remain in full force and effect until the Certificate of Completion is issued. If the Property is to be acquired in phases, the City may, in its discretion, require Developer to execute a document reaffirming the continuing validity of these representations and warranties as a condition to closing on each phase. Developer shall indemnify and hold the City harmless from and against, and shall be obligated to pay and reimburse the City for, any and all loss and damage (including reasonable attorneys' fees, whether inside or outside counsel) which the City may sustain or incur as a result of any misrepresentation or breach of warranty on the part of Developer due to the City's reliance thereon.

ARTICLE 7. TESTS AND SURVEYANCE; CONDITION OF PROPERTY

7.01 Surveying and Testing. The City shall, prior to the transfer of possession or title, permit Developer to make soil boring and bearing tests and undertake such surveying and environmental due diligence activities as Developer deems appropriate, provided such does not interfere with demolition or site improvement activities of the City or the business use of any tenant in possession, if any. All such testing shall be done at Developer's risk and expense. Developer shall submit to the City a copy of each survey or report generated as a result of such activities. Prior to entering onto the Property for such purposes, Developer shall (i) obtain a right of entry letter from P&DD, (ii) execute said letter, and (iii) comply with all conditions and requirements stated therein.

7.02 Condition of Property. Developer takes the Property as it finds it, "AS IS", and the City makes no implied or express representations or warranties as to its fitness for absolutely any purpose whatsoever, including but not limited to the proposed use(s) set forth in this Agreement in Article 13, Exhibit B, or otherwise. By executing this Agreement, Developer acknowledges that it is satisfied with the condition of the Property, subject only to inspection of the Property, review of title, and the results of the tests, investigations, and surveys permitted under Section 7.01, above. If, prior to closing, Developer fails to undertake such investigations and/or obtain such test results and surveys, or fails to object to the condition of the Property based upon the results of such tests, investigations or surveys, or fails to deliver copies of any and all reports of such tests, investigations and/or surveys to the City, Developer shall be deemed to have waived any right to object to the condition of the Property and shall be deemed to have declared its full satisfaction therewith.

7.03 Release of City from Liability; Indemnification. Developer hereby releases the City and its officials, employees, and agents (but not any third party) from any and all liability for any defects in or conditions of the Property, including but not limited to any surface, subsurface, latent or patent conditions whether naturally occurring or by action of any party, or conditions currently existing thereon, including but not limited to conditions described in Section 19.05, but subject to Section 19.05. Subject to Section 19.05, Developer hereby expressly agrees to and shall indemnify and hold the City harmless from any claims by it or any other party for any personal injury or other loss resulting from any such Property conditions that occur or accrue after the date of possession or Closing, whichever is earlier.

7.04 Section 10 of NREPA. Check the box below if the Property is a "facility" under Part 201 of NREPA and provide the required information.

Pursuant to the requirements of Section 10 of Part 201 of NREPA, MCL 324.20116, Developer agrees that the City has notified Developer that the property is a "facility" as that term is defined in Part 201 of NREPA. The general nature and extent of any land or resource restrictions or any release at or from the facility that is known to the City is more fully described in certain reports, copies of which have been provided to Developer. By its execution of this Agreement, Developer acknowledges receipt of the following reports:

(Identify such environmental reports, if any, including Phase I and Phase II Environmental Site Assessments, with specificity. If none, so state.)

None

(If the Property is not a "facility" as defined in NREPA, insert "NA" for "Not Applicable".)

ARTICLE 8. CLOSING

8.01 Time and Place of Closing. The City will notify Developer of the prospective closing date not less than ten (10) calendar days prior to the Closing, unless otherwise agreed between the parties. The Closing shall take place within thirty (30) days after satisfaction of the conditions to closing as specified in Section 8.02 of this Agreement. The Closing shall take place at the office of the City's Planning & Development Department, or such other location in downtown Detroit designated by the City.

8.02 Conditions to Closing

a. **City's Obligations to Close.** The obligation of the City to effect a Closing hereunder shall be subject to receipt of a resolution by the Detroit City Council authorizing the transaction, fulfillment of all conditions contained therein and fulfillment by Developer of each of the following conditions precedent:

1. **Legal Opinion of Developer's Counsel.** There shall have been a legal opinion delivered to the City by outside counsel to Developer dated the Closing date, and supported by a certificate from Developer, to the effect that:

(a) That Developer is a duly organized corporation, partnership, limited liability company, joint venture or sole proprietorship *[as applicable]*, validly existing and in good standing under the laws of the State of Michigan, and is in good standing in each jurisdiction, where the nature of the business conducted by it or the properties owned or leased by it requires such qualifications.

(b) Developer has the power to make, deliver and perform this Agreement, to give the required Advance, to borrow pursuant to this Agreement and to make, deliver and perform all required loan instruments necessary for the performance of this Agreement and has taken all necessary action to authorize each of the foregoing.

(c) This Agreement has been duly executed and delivered by a duly authorized officer, partner, or member of Developer, and this Agreement constitutes a valid obligation of Developer, legally binding and enforceable upon it in accordance with its terms.

(d) So far as is known to such counsel, the execution, delivery, and performance of this Agreement will not violate any provision of any existing law or regulation, order or decree of any court or governmental entity, or any provision of Developer's organizational documents (e.g., charter, articles of incorporation, articles of organization, partnership agreement, bylaws, or operating agreement) or violate any provision of or constitute a default under any agreement or contract to which Developer is a party.

(e) No Default known to such counsel has occurred and is continuing under this Agreement.

(f) So far as is known to such counsel, Developer is in compliance with all zoning requirements, and all other applicable state and federal statutes and regulations and local laws applicable to the conduct of Developer's business as presently being conducted, the violation of which would or could materially adversely affect its operations or would or could materially adversely affect its ability to fulfill its obligations under this Agreement.

2. Resolution of Developer's Authority. Developer shall furnish to the City a certified copy of a resolution satisfactory to the City in form and substance, duly adopted by the Board of Directors or Members of Developer, or an authorized vote of the partners or joint venturers, authorizing the execution, delivery and performance of this Agreement and all other documents and actions contemplated hereunder. Developer shall also furnish to the City an Incumbency certificate, executed by the corporate secretary or proper manager of Developer, identifying the officers or Managers of Developer.

3. Documents and Legal Matters. All documents reasonably requested by the City shall have been submitted to the City and shall be satisfactory in form and content as determined by the City.

4. Delivery of Financing Documents. Developer shall have furnished the City evidence satisfactory to the City of Developer's financial ability to complete the Project, which evidence, if requested by the City, may consist of validly executed financing documents acceptable to the City from qualified financial institutions of recognized responsibility, evidencing (i) sufficient capital on deposit to secure financing, which capital shall not be subject to withdrawal prior to Closing, and (ii) legally binding and enforceable commitments for obtaining financing. The City may, in its discretion, waive such requirements if Developer submits other evidence satisfactory to the City of Developer's financial ability to complete the Project.

5. Evidence of Insurance. Developer shall obtain, prior to Closing and prior to entry onto the Property (or the purposes set forth in Article 7, and maintain at its expense during the term of this Agreement and any extension thereof the insurance described in Section 9.02. Developer shall provide evidence of such insurance to the City in accordance with Section 9.02.

6. Payment of Purchase Price and Closing Costs. Developer shall have tendered payment of the Purchase Price, the Advance, and the closing costs payable by Developer.

7. No Default. There shall be no existing Default by Developer under this Agreement.

8. Delivery of Construction Plans. Developer shall have delivered to P&DD the documents required pursuant to Article 10 of this Agreement.

b. Developer's Obligations to Close. The obligation of Developer to effect a Closing hereunder shall be subject to the fulfillment by the City of each of the following conditions precedent:

1. Title. Title to the Property shall be in the form required by this Agreement.

2. City Council Approval. The City Council shall have adopted a resolution authorizing the transaction contemplated by this Agreement.

3. Acceptable Condition of Property. The physical and environmental condition of the Property shall be acceptable to Developer, pursuant to Article 7.

8.03 Delivery of Deed and Possession. The City will deliver the Deed to the Property and the possession thereof to Developer at the Closing provided that Developer has complied with all conditions precedent as specified herein. Developer shall be responsible for recording the Deed and paying all recording costs (including the cost of the documentary stamp tax on the Deed, if any).

8.04 Payment of Expenses. Developer shall pay all costs, fees, and out of pocket expenses of whatsoever kind or nature related to the procurement of services of Associates and contractors, etc. which have been incurred pursuant to the making of this Agreement and shall hold the City harmless with respect to the payment of same notwithstanding anything contained hereon or elsewhere to the contrary.

8.05 City's Failure to Convey. In the event the City does not tender the conveyance of the Property in the manner provided in this Agreement, and any such failure shall not be cured within thirty (30) days after written demand by Developer, then, provided Developer is not in Default under this Agreement, at the option of Developer, this Agreement shall be canceled in accordance with Section 14.04, except as to parcels previously conveyed (if any), or, if all of the conditions set forth in Section 8.02a above have been satisfied, Developer shall be entitled to seek specific performance of this Agreement.

ARTICLE 9. AFFIRMATIVE COVENANTS

Developer covenants and agrees that until the Certificate of Completion is issued it will:

9.01 Maintenance of Business and Existence. Continue to engage in business of the same general type as now conducted by it so that its principal business shall continue to be as stated herein, will do all things necessary to preserve, renew, and keep in full force and effect its corporate, partnership, limited liability company, joint venture, or sole proprietorship existence (as applicable) and rights and franchises necessary to continue such business and will preserve and keep in force and effect all licenses and permits necessary for the proper conduct of its business.

9.02 Maintenance of Insurance. Maintain at its expense during the Agreement Term and any extension thereof, the following insurance:

- a. Workers' compensation insurance for employees that meets Michigan's statutory requirements and Employers' Liability insurance with minimum limits of One Hundred Thousand Dollars (\$100,000.00) each accident.
- b. Automobile liability insurance covering all owned, hired, and non-owned vehicles with personal protection insurance to comply with the provisions of the Michigan No-Fault Insurance Act, including residual liability insurance, with minimum bodily injury limits of One Hundred Thousand Dollars (\$100,000.00) each person and Three Hundred Thousand Dollars (\$300,000.00) each occurrence and minimum property damage limits of One Hundred Thousand Dollars (\$100,000.00) each occurrence.
- c. Comprehensive general liability insurance with minimum limits of One Million Dollars (\$1,000,000.00) combined single limit, each occurrence, for bodily injury, property damage, products, completed operations and blanket contractual liability for all written agreements.

Developer agrees that it will obtain a similar covenant with respect to worker's compensation insurance from all Associates. All of said insurance policies shall name Developer as the insured and, except for the worker's compensation insurance, shall name the City of Detroit as an additional insured and shall, to the extent obtainable, be accompanied by a commitment from the insurer that such policies shall not be canceled or reduced without at least thirty (30) days' prior notice to the City. Certificates of insurance evidencing such coverage shall be submitted to the City prior to the Closing. If the insurance is on a "claims made" basis, evidence of insurance shall be submitted for three (3) years after issuance of the Certificate of Completion.

9.03 Payment of Obligations. Pay and discharge all its indebtedness for borrowed money, and all liabilities for judgments, taxes, assessments and governmental charges, except where the same may be contested in good faith and maintain adequate reserves for all contingent liabilities. Provided, that if the City has reasonable grounds to believe that Developer will not timely discharge such obligations, the City may, upon written notice to Developer, at the City's option and without waiving any of its rights hereunder, pay either before or after delinquency, any or all of the said obligations and all sums so advanced or paid by the City shall become a lien upon the Property and every payment so made shall bear interest from the date of such failure to pay to the date of repayment to the City at the interest rate applicable to a federal income tax deficiency or penalty.

9.04 Books and Records. Maintain, at all times, true and complete books, records and accounts in which true and correct entries shall be made of its transactions concerning this Agreement in accordance with generally accepted accounting principles consistently applied.

9.05 Notification of Defaults. Promptly notify the City of any Default under or pursuant to this Agreement, whether or not any requirement of notice or lapse of time, or both, or any other condition has been satisfied or has occurred.

9.06 Access to Records and Premises. Afford access by the City to the Property at all reasonable times for purposes of inspection, and permit the City to inspect and make and take away copies of any and all of its records relative to this Agreement.

9.07 Notification Relating to Development Lender. Promptly notify the City of any refusal by any development lender to make a requested advance, any demands for escrow amounts under deficiency clauses, any declaration that default has occurred, or declaration that development stage specifications for the Project are unacceptable.

9.08 Further Information. Promptly furnish the City from time to time such other information regarding its operations, business, affairs and financial condition concerning this Agreement that the City may reasonably request.

9.09 Further Assurance. Upon request, execute and deliver, or cause to be executed and delivered, such further instruments and do or cause to be done such further acts as may be reasonably necessary or proper to carry out the intent and purpose of this Agreement.

ARTICLE 10: CONSTRUCTION PLANS

10.01 Submittal. As promptly as possible after the execution of this Agreement, and in any event no later than sixty (60) days thereafter, and as a condition precedent to Closing and the issuance of any building permit, Developer shall submit to P&DD for approval Construction Plans in sufficient completeness and detail to show that the Improvements and the construction thereof will be in accordance with the provisions of this Agreement.

10.02 Approval of Construction Plans. P&DD shall promptly review the submitted Construction Plans. If the Construction Plans conform to the terms and provisions of this Agreement, as determined within the sole and reasonable discretion of P&DD, P&DD shall approve in writing such Construction Plans and no further filing by Developer or approval by P&DD thereof shall be required in satisfaction of this Agreement except with respect to any material change. In the event of a dispute with respect to what constitutes a material change, P&DD's reasonable determination shall control. If Developer desires to make any material change in the Construction Plans after their approval by P&DD, Developer shall submit the proposed change to P&DD for its approval. It shall be within P&DD's sole and reasonable determination to approve or reject such change.

If P&DD rejects the Construction Plans in whole or in part as not being in conformity with this Agreement, Developer shall submit new or corrected Construction Plans which are in conformity therewith within thirty (30) days after written notification to Developer of such rejection.

The provisions herein provided relative to approval, rejection and resubmission of corrected Construction Plans with respect to the original Construction Plans shall continue to apply until the Construction Plans have been approved by Pⅅ provided, however, that in any event, Developer is required to submit Construction Plans which are in conformity with this Agreement, as determined by P&DD, no later than ninety (90) days after the date P&DD provides notice to Developer of P&DD's first rejection of the original Construction Plans submitted to it by Developer.

10.03 Other Approvals. Approval by P&DD of the Construction Plans is in addition to any approvals by the City's Buildings & Safety Engineering Department (or other agencies or departments) for building permits, use permits, certificates of occupancy, zoning approvals and variances, and other permits whether required by other City departments and/or agencies or otherwise. Developer shall be responsible for applying for all permits and zoning approvals and/or variances to allow for the uses it will make of the Property and the improvements it will construct on the Property. Execution of this Agreement by the City shall not be deemed a grant of such permits, approvals, or variances, or a waiver of any of the procedural or substantive requirements of the departments and/or agencies responsible for issuing the permits, approvals and/or variances.

ARTICLE 11. PERFORMANCE OF CONSTRUCTION

11.01 Commencement and Completion. Developer shall promptly begin and diligently complete the development of the Property throughout the construction of the improvements thereon, and shall begin such construction within 180 days or 6 months from the date of Closing. Construction shall be completed within 915 days or 30 months of the date of Closing.

11.02 Certificate of Completion.

- a. Subsequent to the proper completion of the improvements in accordance with the provisions of this Agreement, the City shall furnish Developer with an instrument certifying such completion (herein called the "Certificate of Completion"). Upon written request by Developer, the Property may be divided into parts or parcels, provided that such subdivision, in the opinion of the City, is not inconsistent with the Development Plan or this Agreement. At its sole discretion, the City may furnish Developer with individual Certificates of Completion upon proper completion of the improvements relating to any such part or parcel.
- b. When Developer considers all Project work required hereunder to be complete, in conformance with this Agreement, and ready for final inspection, it shall so notify the Director of P&DD (herein called the "Director"). Within thirty (30) days of such written notification, the Director will thereafter make or cause to be made such inspection. If, upon such inspection, the Director finds the entire work not fully completed or portions not acceptable under the terms and conditions of this Agreement, the Director will so notify Developer in writing indicating in detail in what respects Developer has failed to complete the improvements in accordance with this Agreement or is otherwise in Default, and what measures and acts Developer must take or perform in order to cure such nonconformity or Default. Developer shall thereafter promptly complete the improvements in accordance with such directive so as to conform the construction of the improvements as required by this Agreement.
- c. Upon the Director's determination that the Project is complete and in conformance with all provisions and requirements of this Agreement, the Director shall issue the Certificate of Completion.
- d. Except as may be stated therein, the Certificate of Completion shall be a conclusive acknowledgment by P&DD of satisfaction by Developer of its obligations under this Agreement for the portion of the Property addressed by the Certificate of Completion, except as provided in Sections 13.01b, 13.01c and 13.01d hereof. The Certificate of Completion shall not, however, constitute evidence of compliance with or satisfaction of (i) any obligation of Developer to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the improvements, or any part thereof, or (ii) the requirements of any department, agency or entity with respect to any building, occupancy, or other permits.
- e. The Certificate of Completion shall be in such form as can be recorded against the Property. The cost of recording the Certificate of Completion shall be the responsibility of Developer.
- f. In the Director's discretion, Certificates of Completion may be given for each phase if the Project is developed in phases.

ARTICLE 12. COST OF CONSTRUCTION

Developer shall be solely responsible for and shall pay in a timely manner all costs and expenses of whatsoever kind or nature constituting the cost of construction of the Improvements and development of the Project.

ARTICLE 13. RESTRICTIONS ON USE

13.01 Covenants Regarding Use of Property. Developer covenants for itself and its successors and assigns and every successor in interest to the property, or any part thereof, that Developer and its successors and assigns shall:

- a. Devote the Property only to and in accordance with the uses specified in this Agreement. This covenant shall be construed to run with the Property until the issuance of the Certificate of Completion.
- b. *[If applicable]* Devote the Property to and only to and in accordance with, the uses specified in the Development Plan. This covenant shall be construed to run with the Property until the expiration of the period specified in the Development Plan.
- c. *[If applicable]* Rehabilitate and maintain the Property in accordance with the recommended approaches in "The Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitation of Historic Buildings", an excerpted summary of which, if such is applicable, is attached hereto and made a part hereof as Exhibit F. This covenant shall be construed to run with the Property in perpetuity, without limitation as to time; however, the Michigan State Historic Preservation Officer may, for good cause, modify or cancel any or all of the restrictions of this Subsection upon written application.
- d. Not discriminate upon the basis of race, religion, sex, creed or national origin in the sale, lease or rental or in the use or occupancy of the Property or any Improvements erected or to be erected thereon, or any part thereof. This covenant shall be construed to run with the Property in perpetuity, without limitation as to time.

ARTICLE 14. INABILITY TO OBTAIN FINANCING OR PERMITS

14.01 Prior to Conveyance. In the event that, prior to conveyance of the Property by the City, Developer shall be unable, after diligent effort, to obtain financing to construct the Improvements, as determined within the reasonable discretion of the City, on terms that would generally be considered satisfactory by builders or contractors for Improvements of the nature and type provided in the Construction Plans, then Developer shall have the right to cancel this Agreement in accordance with Section 14.04.

14.02 After Conveyance. If after conveyance of the Property by the City, Developer furnishes satisfactory evidence that it has been unable after diligent effort for a period of at least sixty (60) days to obtain financing or any additional financing necessary for making or completing the Improvements, as determined within the reasonable discretion of the City, on terms that would generally be considered satisfactory by builders or contractors for Improvements of the nature and type provided in the Construction Plans, and Developer shall, if so requested by the City, continue to make diligent efforts to obtain such financing for a period of sixty (60) days after such request, but without success, then this Agreement may be canceled by Developer or the City in accordance with Section 14.04 except that any parts or parcels previously conveyed for which Developer has obtained sufficient financing to complete construction.

14.03 Inability to Obtain Permits, Zoning Variances. If Developer notifies the City that it has been unable, after diligent effort, to obtain permits to allow for the uses it will make of the Property or the construction of Improvements or that under the zoning ordinances the Property cannot be used for the purposes and/or uses set forth in this Agreement and Developer, after diligent effort, has been unable to obtain the necessary zoning variances or approvals, then this Agreement shall be canceled in accordance with Section 14.04.

14.04 Cancellation. In the event of cancellation of all or any part of this Agreement as specified above, the City shall refund a proportionate amount of the Advance and Purchase Price paid, without interest, as to the part canceled with a deduction for any damages the City sustains to return the Property to the condition before Developer's entry upon the Property. If such cancellation occurs after conveyance, Developer agrees that upon notification of cancellation of this Agreement, or any part thereof, it will promptly execute and deliver a deed "C" (covenant deed) to the City as to the parcel(s) canceled, receipt of which shall be a condition to refunding the Advance. Upon such cancellation neither the City nor Developer shall have any further rights against or liability to the other under this Agreement with respect to conveying or development of the Property.

ARTICLE 15. DEFAULTS AND EVENTS OF DEFAULT

15.01 Default by Developer. The occurrence of any one or more of the following events shall constitute a Default of this Agreement by Developer:

- a. Developer violates its obligation with respect to the construction of the Improvements, as specified in this Agreement.
- b. Developer fails to pay, when due, real estate taxes or assessments on the Property or any part thereof or places thereon any Encumbrance unauthorized by this Agreement, or suffers any levy or attachment to be made or any materialman's, mechanic's, or construction lien or any other unauthorized Encumbrance to attach.

c. Developer violates any of the terms and conditions of the Fair Employment Practices Provision, Article 23 herein.

d. There is any transfer of all or any part of the Property or of any right or interest in all or any part of the Property; or, in violation of Section 18.02 hereunder, there is any change in excess of ten percent (10%) or more in the or distribution of Developer's ownership interests or stock or with respect to the identity of the parties in control of Developer or the degree thereof.

e. Developer admits in writing its inability to pay its debts generally as they become due, or Developer ceases to conduct business in the normal course by reason of any of the following: (i) The making by Developer of any general arrangement or general assignment for the benefit of creditors; (ii) Developer becoming a "debtor" as defined in 11 USC § 101 or any successor statute thereto (unless, in the case of a petition filed against Developer, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Developer's assets located at the Property or of Developer's interest in this Agreement, where possession is not restored to Developer within sixty (60) days; (iv) the attachment, execution or other judicial seizure of substantially all of Developer's assets located at the Property or of Developer's interest in this Agreement, where such seizure is not discharged within sixty (60) days; or (v) its voluntary or involuntary dissolution. In the event that any provision of this subsection is contrary to any applicable law, such provision shall be of no force or effect.

f. Developer violates any of the terms and conditions of this Agreement, except as otherwise provided in this Section 15.01, and Developer fails to cure same within thirty (30) days after receipt of written notice by the City to cure said Default.

g. Developer does not acquire the Property pursuant to a Closing in accordance with this Agreement.

15.02 Failure to Cure Default. Any such Default on the part of Developer as set forth in Section 15.01 and the failure of Developer to cure such Default within ninety (90) days after written demand by the City to correct said Default in the case of Subsections 15.01a, 15.01b, and 15.01c or within thirty (30) days after written demand by the City to cure said Default for Subsection 15.01f shall be deemed to constitute an Event of Default, provided, however, that if the nature of Developer's Default is such that more than the cure period provided is reasonably required for its cure, then Developer shall not be deemed to be in default if Developer commences such cure within said period and thereafter diligently pursues such cure to completion. If Developer is in good faith contesting any amount due under Subsection 15.01b, Developer may, in lieu of paying said amount, deposit said amount in an escrow account which shall be disbursed upon the resolution of the dispute, or if the amount relates to a construction lien, Developer may bond over the lien in the manner prescribed by law. Defaults pursuant to Subsections 15.01d, 15.01a, and 15.01g are hereby deemed to be material, non-curable Events of Default without the necessity of any notice by the City to Developer thereof. The City may, in its sole discretion, waive in writing any Default or Event of Default by Developer.

15.03 Default by the City. The City shall not be in default unless the City fails to perform obligations required of the City within a reasonable time, but in no event later than ninety (90) days, after written notice by Developer to the City, specifying wherein the City has failed to perform such obligation, provided, however, that if the nature of the City's obligation is such that more than ninety (90) days are reasonably required for performance then the City shall not be in default if the City commences performance within such ninety (90) day period and thereafter diligently pursues such performance to completion.

ARTICLE 16 - REMEDIES

16.01 Prior to Conveyance. Upon an Event of Default prior to conveyance of the Property, this Agreement and any rights of Developer arising hereunder or otherwise with respect to the City or the Property, may, at the option of the City, be terminated by the City, except as to parcels previously conveyed where a Certificate of Completion has been issued by the City. In the event of such termination, the Advance may be retained by the City as its property without any deduction, offset, or recoupment whatsoever.

16.02 Subsequent to Conveyance. It is expressly understood and agreed between the parties hereto that during the Agreement Term the conveyance of the Property to Developer shall be construed and interpreted as the conveyance of a fee simple determinable until issuance of the Certificate of Completion, and that such conveyance shall endure only so long as subsequent to the conveyance and prior to the issuance of the Certificate of Completion there has been no Event of Default. Upon an Event of Default and the City's recording of a notice thereof, title to the Property shall automatically revert in the City, except for parcels previously conveyed where a Certificate of Completion has been issued by the City. Upon such reversion of title, the City shall have the right to re-enter and take immediate possession of the Property. Upon an Event of Default, this Agreement and any rights of Developer arising hereunder or otherwise with respect to the City or the Property, may, at the option of the City, be terminated by the City, except as to parcels previously conveyed where a Certificate of Completion has been issued by the City. Developer agrees to promptly execute and deliver a deed "C" (covenant deed) for such Property to the City. In the event of such termination, the Advance may be retained by the City as its property without any deduction, offset, or recoupment whatsoever.

16.03 Appointment of Attorney-in-Fact. Pursuant thereto, Developer hereby irrevocably constitutes and appoints the City, upon an Event of Default, to act as its true and lawful agent and attorney-in-fact, and grants the City full power and authority, upon an Event of Default, to execute in its name and on its behalf one or more deeds reconveying the Property to the City, together with all of Developer's rights, title, and interest therein. Developer shall be bound thereby as if an authorized officer of Developer had personally executed same. Developer shall execute simultaneously with this Agreement an "Irrevocable Power of Attorney" (in substantially the form of Exhibit D attached hereto and made a part hereof) granting such authority to the City.

16.04 Vacaton of Property. Developer further acknowledges that any delay or failure to vacate the Property no later than thirty (30) days after title to the Property has vested back in the City and the City has given notice thereof to Developer will cause irreparable injury to the City not adequately compensable in damages and for which the City has no adequate remedy at law. Developer accordingly agrees that the City may in such event seek and obtain injunctive relief in a court of competent jurisdiction to compel Developer to vacate and abandon such Property, as well as liquidated damages in the amount of 150% of the City's standard rental rate per day for each day of such failure or delay.

16.05 Remedies Cumulative. The rights and remedies of the City, whether provided by law or by this Agreement, shall be cumulative, and the exercise by the City of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach. No waiver made by the City shall apply to obligations beyond those expressly waived in writing.

16.06 Waiver of Defense. Developer, for itself and its successors and assigns, and all other persons who are or who shall become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation or burden under this Agreement, hereby waives, to the fullest extent permitted by law and equity, all claims or defenses otherwise available on the ground of its or their being or having become a person in the position of a surety, whether real, personal, or otherwise, or whether by agreement or operation of law. Such waiver shall include, but shall not be limited to all claims and defenses based upon extensions of time, indulgence, or modification of terms of this Agreement.

16.07 Reimbursement of Costs. Developer shall reimburse the City for its expenses, including reasonable attorney fees (whether inside or outside counsel), incurred by the City in connection with the enforcement of or the preservation of any rights under this Agreement including, but not limited to, any costs, damages, and expenses related to the recapture, management and resale of the Property.

16.08 Resale of Recquired Property; Disposition of Proceeds. Upon the reversion in the City of title to the Property or any part thereof as provided in Section 16.02, the City shall, pursuant to its responsibilities under the State law, use its best efforts to resell the Property or part thereof (subject to such mortgage liens and household interests as in Section 18 set forth and provided) as soon and in such manner as the City shall find feasible and consistent with the objectives of such law, the Development Plan and this Agreement to a qualified and responsible party or parties (as determined by the City) who will assume the obligation of making or completing the improvements or such other improvements in their stead as shall be satisfactory to the City and in accordance with the uses specified for such Property or part thereof in the Development Plan and this Agreement. Upon such resale of the Property, the proceeds thereof shall be applied as follows:

a. First, to reimburse the City for all costs and expenses incurred by the City (including, but not limited to, attorneys' fees and salaries of personnel) in connection with the recapture, management, and resale of the Property or part thereof (but less any income derived by the City from the Property or part thereof in connection with such management); all insurance premiums, taxes, assessments, and water and sewer charges with respect to the Property or part thereof; any payments made of necessary to be made to discharge any Encumbrances existing on the Property or part thereof at the time of reversion of title thereto; the City or to discharge or prevent from attaching or being made any subsequent Encumbrances due to obligations, defaults, or acts of Developer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the improvements on any part thereof on the Property or part thereof; and any amounts otherwise owing the City by Developer and its successor or transferee.

b. Second, to reimburse Developer, its successor or transferee, up to the amount equal to (i) the sum of the Purchase Price paid by it for the Property (or allocable to the part thereof) and the cash actually invested by it in making any of the improvements on the Property or part thereof, less (ii) any gains or income withdrawn or made by it from this Agreement or the Property.

Any balance remaining after such reimbursements shall be retained by the City as its property.

16.09 Estate Conveyed. Notwithstanding anything contained in this Agreement to the contrary, the estate conveyed hereby shall be deemed to be a determinable fee during the Agreement Term, and upon the issuance of the Certificate of Completion the possibility of reverter retained by the City shall automatically expire as to that part of the Property described therein.

ARTICLE 17. COVENANTS TO RUN WITH LAND

Except as provided for in Article 13 hereunder, each and all of the covenants, restrictions, reservations, conditions, and provisions contained in this Agreement are made for the direct, mutual, and reciprocal benefit of the Property and the community, and during the Agreement Term will be construed and interpreted by the parties hereto as covenants running with the land. Pursuant hereto Developer, by accepting the Deed to the Property, accepts same subject to such covenants, restrictions, reservations, conditions, and provisions and agrees for itself, its successors and assigns to be bound by each of such covenants, restrictions, reservations, conditions and provisions. The City shall have the right to enforce such covenants, restrictions, reservations, conditions and provisions against Developer, its successors and assigns to or of the Property or any part thereof or any interest therein.

ARTICLE 18. RESTRICTION UPON SPECULATION AND ASSIGNMENT

18.01 No Speculation. Developer represents that its purchase of the Property and its other undertakings pursuant to this Agreement are for the purpose of development of the Property in accordance herewith and not for speculation.

18.02. Stock Transfers or Other Transfers of Ownership Interests. Prior to completion of the Improvements as certified by the City there shall be no transfer by any party owning ten percent (10%) or more of the shares or other ownership interests in Developer without the prior written approval of the City. There shall not be, without prior written approval of the City, any other similarly significant change in the ownership of such stock or other interests or in the relative distribution thereof or with respect to the identity of the parties in control of Developer by other means, whether by increased capitalization, merger with or acquisition by another legal entity, or by amendment of organizational documents or issuance of additional or new ownership or membership interests, shares or classifications thereof, or otherwise. Notwithstanding anything contained in this Section 18.02 or elsewhere in this Agreement, the owners of interests in Developer shall be permitted to transfer such ownership interests to (i) other existing owners of such interests or (ii) member(s) of their immediate family, or (iii) trusts in connection with estate planning, or (iv) entities owned by any of the foregoing, provided that such a permitted transfer does not constitute or cause a significant change in the identity of parties in control of Developer.

18.03. Membership in Non-Profit Entity. If Developer is a non-profit entity, the limitations on transfers set forth in Section 18.02 shall not apply to changes of membership in Developer nor to changes in the identity of the parties in control of the non-profit entity occasioned by the routine election of members of its governing body or the filling of vacancies occurring from time-to-time on said governing body provided that Developer remains a non-profit entity.

18.04. Prior Approval of Assignment. Developer will not, prior to the issuance of the Certification of Completion, make any sale, assignment, conveyance or lease of any trust or power, or transfer in any other form with respect to this Agreement or the Property, without the prior written approval of the City. Any proposed transferee shall have the qualifications and financial responsibility, as determined by the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by Developer, and if the proposed transfer relates to a part of the Property, such obligations to the extent that they relate to such part. Any proposed transferee shall, by instrument in writing, for itself and its successors and assigns, and expressly for the benefit of the City, assume all of the obligations of Developer under this Agreement and agree to be subject to all the conditions and restrictions to which Developer is subject (or, in the event the transfer is of or relates to part of the Property, such obligations, conditions and restrictions to the extent that they relate to such part). The consent of the City to an assignment or transfer in any one case shall not relieve Developer or the transferee of the obligation to obtain the consent of the City for any additional assignments or transfers.

18.05. Consideration for Assignment. Prior to the City's approval of any assignment pursuant to Section 18.04, Developer shall certify to the City that the consideration paid for the transfer of any of Developer's interest in this Agreement or the Property does not exceed an amount representing the actual cost (including carrying charges) incurred by Developer for the purchase of the Property and the construction of any improvements on the Property (or allocable to the part or interest transferred); it being the intent of this Section to preclude assignment of this Agreement or transfer of the Property for profit prior to the issuance of the Certificate of Completion. In the event Developer transfers any such interest at a profit, said profit shall belong to and forthwith be paid to the City.

18.06. Limitation Upon Encumbrance of Property. Prior to the completion of the Improvements, as certified by the City, neither Developer nor any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any mortgage or other Encumbrance upon the Property, whether by express agreement or operation of law, or suffer any Encumbrance to be made on or attach to the Property, except for the purposes of obtaining funds only to the extent necessary to purchase the Property and make the Improvements. Developer (or successor in interest) shall notify the City in advance of any financing, secured by mortgage or other similar lien instrument, it proposes to enter into with respect to the Property or any part thereof and shall promptly notify the City of any Encumbrance that has been created on or attached to the Property, whether by voluntary act of Developer or otherwise.

18.07. Mortgagees Not Obligated to Construct. Notwithstanding any of the provisions of this Agreement, including, but not limited to, those which are or are intended to be covenants running with the land, the holder of any mortgage authorized by this Agreement (including any such holder who obtains title to the Property or any part thereof as a result of foreclosure proceedings, or action in lieu thereof, but not including any other party who thereafter obtains title to the Property or such part from or through such holder or any other purchaser at foreclosure sale other than the holder of the mortgage itself) shall not be obligated by the provisions of this Agreement to construct or complete the Improvements or to guarantee such construction or completion; nor shall any covenant or any other provision in the Deed be construed to so obligate such holder, provided, that nothing in this Section or any other Section or provision of this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses, or to construct any Improvements thereon, other than those uses or Improvements provided or permitted in the Development Plan and this Agreement.

18.08. Copy of Notice of Default to Mortgagees. Whenever the City shall deliver any notice or demand to Developer with respect to any Default by Developer in its obligations or covenants under this Agreement, the City shall at the same time forward a copy of such notice or demand to each holder of any mortgage authorized by this Agreement at the last address of such holder shown in the records of the City.

18.09. Mortgagee's Option to Cure Default. After any Default referred to in Article 15 hereof, each such holder shall (insofar as the rights of the City are concerned) have the right, at its option, to cure or remedy such Default (or such Default to the extent that it relates to the part of the Property covered by its mortgage) and to add the cost thereof to the mortgage debt and the lien of its mortgage; provided, that if the Default is with respect to construction of the Improvements, nothing contained in this Section or any other Section of this Agreement shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Improvements (beyond emergency measures necessary to conserve or protect Improvements or construction already made) without first having expressly assumed the obligation to the City, by written agreement satisfactory to the City, to complete, in the manner provided in this

Agreement, the Improvements on the Property or the part thereof to which the lien or title of such holder relates. Any such holder who shall properly complete the Improvements relating to the Property or applicable part thereof shall be entitled, upon written request made to the City, to a Certificate of Completion with respect thereto.

18.10 City's Option to Pay Mortgage Debt or Purchase Property. In any case where, subsequent to the Default by Developer (or successor in interest) under this Agreement, the holder of any mortgage on the Property or part thereof: (i) has, but does not exercise, the option to construct or complete the Improvements relating to the Property or part thereof covered by its mortgage or to which it has obtained title, and such failure continues for a period of sixty (60) days after the holder has been notified or informed of the Default; or (ii) undertakes construction or completion of the Improvements but does not complete such construction within the period as agreed upon between the City and such holder (which period shall in any event be at least as long as the period prescribed for such construction or completion in this Agreement), and such Default shall not have been cured within sixty (60) days after written demand by the City so to do, then the City shall (and every mortgage instrument made prior to completion of the Improvements with respect to the Property by Developer or successor in interest shall so provide) have the option of paying to the holder the amount of the mortgage debt and securing an assignment of the mortgage and the debt secured thereby, or, in the event ownership of the Property (or part thereof) has vested in such holder by way of foreclosure or action in lieu thereof, the City shall be entitled, at its option, to a conveyance to it of the Property or part thereof (as the case may be) upon payment to such holder of an amount equal to the sum of: (i) the mortgage debt at the time of foreclosure or action in lieu thereof (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings); (ii) all expenses with respect to the foreclosure; (iii) the net expense, if any (exclusive of general overhead), incurred by such holder in and as a direct result of the subsequent management of the Property; (iv) the costs of any Improvements made by such holder; and (v) an amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence.

18.11 City's Option to Cure Mortgage Default. In the event of a default or breach during the Agreement Term by Developer, or any successor in interest, in or of any of its obligations under, and to the holder of, any mortgage or other instrument creating an Encumbrance upon the Property or part thereof, the City may at its option cure such default or breach, in which case the City shall be entitled, in addition to and without limitation upon any other rights or remedies to which it shall be entitled by this Agreement, operation of law, or otherwise, to reimbursement from Developer or successor in interest of all costs and expenses incurred by the City in curing such default or breach and to a lien upon the Property (or the part thereof to which the mortgage or Encumbrance relates) for such reimbursement; provided, that any such lien shall be subject always to the lien of (including any lien contemplated because of advances yet to be made) any then existing mortgages on the Property authorized by this Agreement.

18.12 Mortgage and Holder. For the purposes of this Agreement, the term "mortgage" shall include a deed of trust or other instrument creating an encumbrance or lien upon the Property, or any part thereof, as security for a loan. The term "holder" in reference to a mortgage shall include any insurer or guarantor of any obligation or condition secured by such mortgage or deed of trust, including, but not limited to, the Federal Housing Commission, the Administrator of Veterans Affairs, and any successor in office of either such official.

ARTICLE 19. INDEMNITY

19.01 Developer Indemnifications. Developer agrees to bind and shall indemnify and save harmless the City, its agents and employees against and from any and all liabilities, obligations, damages, penalties, claims, costs, charges, losses and expenses (including without limitation, fees and expenses of attorneys, whether inside or outside counsel, expert witnesses and other consultants) that may be imposed upon, incurred by or asserted against the City by reason of any of the following occurring during the term of this Agreement:

- a. any negligent or tortious act or omission of Developer or its Associates resulting in personal injury, bodily injury, sickness, disease or death, or injury to or destruction of tangible property including the loss of use therefrom; or
- b. any failure by Developer or its Associates to perform their obligations either implied or expressed under this Agreement.

Developer also agrees to hold the City harmless from any and all injury to the person or damage to the property of, or any loss or expense incurred by, an employee of the City which arises out of or pursuant to Developer's activities under this Agreement or any contract entered into by Developer in connection therewith unless such loss or injury is caused by the City's gross negligence or willful misconduct.

19.02 Defense of Claims. In the event any action or proceeding shall be brought against the City by reason of any claim covered hereunder, Developer, upon notice from the City, will at its sole cost and expense, resist and defend the same, using legal counsel reasonably acceptable to the City.

19.03 Safeguarding Property. Developer agrees that it is its responsibility and/or that of its Associates and not the responsibility of the City to safeguard the property and materials that Developer or its Associates use or have in their possession while performing under this Agreement. Further, Developer agrees to hold the City harmless for any loss of such property and materials used by any such persons pursuant to the performance of this Agreement or which is in their possession.

19.04 Non-Liability of the City. From and after the date of Closing, the City shall not be responsible or liable to Developer, and Developer hereby releases the City from liability, for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying any part of the Property. From or after the date of Closing

or the date Developer takes possession of the Property, whichever is earlier, Developer shall be solely responsible for all injuries to persons and property resulting from any accident, explosion, leak or other cause arising in or about the use of the Property and its appurtenances, as hereinbefore stated. The City shall not be responsible for any loss or damage resulting to Developer or its property or to any other person or persons on their property which may be caused by the bursting, stopping, or leaking of water, gas, sewer or steam pipes or from overflow or backing up of any sewer or water main, unless caused by the City's gross negligence or willful misconduct.

19.05 Hazardous Materials.

a. Representations and Warranties. Notwithstanding anything to the contrary which may be contained in this Agreement, Developer represents, warrants and covenants to the City as follows:

1. Developer shall not directly or indirectly use the Property for the purpose of storing Hazardous Materials, nor shall Developer directly or indirectly use the Property in a manner which will cause or increase the likelihood of causing the release of Hazardous Materials onto the Property, other than those Hazardous Materials which are necessary and commercially reasonable for the conduct of Developer's business operated on the Property and which Hazardous Materials have been at all times prior to the date hereof, and at all times hereafter shall be, handled and disposed of in compliance with all Relevant Environmental Laws (as defined in Subsection 19.05b1 below) and industry standards and in a commercially reasonable manner by Developer.

2. Developer is not aware of any claims or litigation, and has not received any communication from any person (including any governmental authority), concerning the presence or possible presence of Hazardous Materials at the Property or concerning any violation or alleged violation of the Relevant Environmental Laws respecting the Property, other than as disclosed to Developer by the City or as disclosed in or as a result of the tests, surveys and investigations performed under Section 7.01 above. Developer shall promptly notify the City of any such claims and shall furnish City with a copy of any such communications received by Developer. To the best of Developer's knowledge, there are no underground storage tanks located on the Property, other than as disclosed in or as a result of the tests, surveys and investigations performed under Section 7.01.

3. Developer shall notify the City promptly and in reasonable detail in the event that Developer becomes aware of or suspects the presence of Hazardous Materials or a violation of the Relevant Environmental Laws at the Property.

4. From and after the date of Closing, Developer shall ensure that the Property complies and continues to comply in all respects with the Relevant Environmental Laws.

5. If the Property is used or maintained so as to subject Developer, the City or the user(s) of the Property to a claim of violation of the Relevant Environmental Laws (unless contested in good faith by appropriate proceedings), Developer shall immediately cease or cause a cessation of those aspects of the use or operations causing the violation and shall remedy and cure in compliance with the Relevant Environmental Laws any conditions arising therefrom at its own cost and expense.

Definitions.

1. "Relevant Environmental Laws," as referred to herein, shall mean all applicable federal, state, and local laws, rules, regulations, orders, judicial determinations, and decisions or determinations by any judicial, legislative or executive body of any governmental or quasi-governmental entity, whether in the past, the present or the future, with respect to:

- (a) the installation, existence, or removal of, or exposure to, Asbestos on the Property.
- (b) the existence on, discharge from, or removal from the Property of Hazardous Materials.
- (c) the effects on the environment of the Property or of any activity now, previously, or hereafter conducted on the Property.

Relevant Environmental Laws shall include, but are not limited to, the following: (i) the Comprehensive Environmental Response, Compensation, and Liability Act, 42 USC Sections 9601, *et seq.*; the Superfund Amendments and Reauthorization Act, Public Law 99-499, 100 Stat. 1613; the Resource Conservation and Recovery Act, 42 USC Sections 6901, *et seq.*; the National Environmental Policy Act, 42 USC Section 4321; the Safe Drinking Water Act, 42 USC Sections 300f, *et seq.*; the Toxic Substances Control Act, 15 USC Section 2601; the Hazardous Materials Transportation Act, 49 USC Section 1801; the Federal Water Pollution Control Act, 33 USC Sections 1251, *et seq.*; the Clean Air Act, 42 USC Sections 7401, *et seq.*; and the regulations promulgated in connection therewith; (ii) Environmental Protection Agency regulations pertaining to Asbestos (including 40 CFR Part 61, Subpart M); Occupational Safety and Health Administration Regulations pertaining to Asbestos (including 29 CFR Sections 1910.1001 and 1928.58) as each may now or hereafter be amended; and (iii) any state and local laws and regulations pertaining to Hazardous Materials and/or Asbestos.

2. "Asbestos," as referred to herein, shall have the meanings provided under the Relevant Environmental Laws and shall include, but not be limited to, asbestos fibers and friable asbestos as such terms are defined under the Relevant Environmental Laws.

3. "Hazardous Materials," as referred to herein, shall mean any of the following as defined by the Relevant Environmental Laws: Asbestos; hazardous wastes; solid wastes; toxic or hazardous substances, wastes, or contaminants (including, but not limited to, polychlorinated biphenyls (PCB's), paint containing lead, and urea formaldehyde foam insulation), and discharges of sewage or effluent.

c. Developer's Obligations. At its sole cost and expense, Developer shall:

1. Pay immediately when due the cost of compliance with the Relevant Environmental Laws resulting directly or indirectly out of Developer's use, possession, or development of the Property.
2. Keep the Property free of any lien imposed pursuant to the Relevant Environmental Laws resulting directly or indirectly out of Developer's use, possession, or development of the Property.

d. City's Options. If Developer fails to comply with the requirements of this Section after notice to Developer and the earlier of the expiration of any applicable cure period hereunder, the expiration of the cure period permitted under the Relevant Environmental Laws, if any, or such earlier time if the City determines that life, person or property is in jeopardy, the City may, but shall not be obligated to, exercise its right to: (i) declare that such failure constitutes an Event of Default under Article 15 herein; and/or (ii) take any and all actions, at Developer's expense, that the City deems necessary or desirable to cure said failure of compliance.

e. Release and Indemnity. The City shall give Developer the opportunity to inspect the Property and conduct such environmental assessments and testing as Developer has deemed appropriate. The City shall not be liable to Developer for, and Developer, for itself and its successors and assigns, hereby releases the City from, any and all liability for any violation or alleged violation of the Relevant Environmental Laws respecting the Property, whether such alleged violation occurred before or after Closing and the transfer of possession to Developer. The City shall not be liable for, and Developer shall immediately pay to the City when incurred and shall indemnify, defend and hold the City harmless from and against, all loss, cost, liability, damage and expense (including, but not limited to, attorneys' fees and costs incurred in the investigation, defense and settlement of claims) that the City may suffer or incur as a result of or in connection in any way with any violation of the Relevant Environmental Laws occurring after the Closing or the date of transfer of possession, whichever is earlier, any environmental assessment or study from time to time undertaken or requested by Developer or City, or breach of any covenant or undertaking by Developer in this Section; provided, however, Developer shall have no obligation to the City with respect to: (i) indemnified liabilities arising solely from the gross negligence or willful misconduct of the City; or (ii) conditions or Hazardous Materials existing at the earlier of the time of Closing or the date of transfer of possession. Developer shall bear the burden of proof regarding the date that any alleged violation of the Relevant Environmental Laws occurred or any condition existed.

f. Survival. The provisions of this Section shall survive the termination of this Agreement.

g. Breach. Breach of any of the representations, warranties and/or covenants contained in this Article shall be a default under this Agreement; provided, however, that no breach shall be deemed to have occurred so long as, upon becoming aware of a possible breach, Developer proceeds to reasonably investigate and remedy in compliance with the Relevant Environmental Laws the matter giving rise to the possible breach.

h. Assignment of Cause of Action. The City shall, upon request of Developer, convey, assign and transfer to Developer any claim or cause of action the City may have against others in connection with any liability against which Developer has fully indemnified the City (including payment) under this Agreement.

ARTICLE 20. ADMINISTRATION

20.01 Developer Personnel. Developer represents and warrants that all Developer personnel and agents and the personnel and agents of its Associates are fully qualified and authorized to perform the functions and duties assigned them under Federal, State and Local laws and governing professional association rules, if any, where such persons are employed.

20.02 Inspection by City. The City may in its sole discretion assign City employees to go on the Property to inspect the work performed by Developer or on Developer's behalf upon reasonable notice to Developer. Developer and any Associates shall cooperate fully with any City employee designated to conduct any on-site inspection or who is assigned to review relevant documents concerning the Project or construction of the Improvements.

20.03 Independent Contractor Relationship. The relationship of Developer to the City is and shall continue to be that of an independent contractor relationship, and no liability or benefits, such as worker's compensation, pension rights or liabilities, insurance rights or liabilities or other provisions or liabilities, arising out of or related to a contract for hire or employer/employee relationship, shall arise or accrue to either party or either party's agent or employee with respect to the City as a result of the performance of this Agreement, unless expressly stated in this Agreement. Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto; it being understood and agreed that none of the provisions contained herein, nor any acts of the parties herein, shall be deemed to create any such relationship between the parties.

20.04 Waiver. Developer shall not hold the City liable for any personal injury incurred by an employee, agent or consultant of itself, its Affiliates or its Associates which is not held in a court of competent jurisdiction to be directly attributable to the gross negligence of the City or any employee of the City acting within the scope of his or

her employment. Developer hereby agrees to and shall hold the City harmless from any such claim by Developer, its employees, agents, or consultants and/or those of its Associates and Affiliates.

ARTICLE 21. COMPLIANCE WITH LAWS AND REGULATIONS

21.01 Compliance. Developer shall comply with, and shall require in all its contracts with Associates that Associates comply with, all applicable laws, ordinances or other regulations imposed by any properly constituted governmental authority, including without limitation Executive Order No. 22 and Executive Order No. 4. Developer's commitments regarding meeting the goals of Executive Order No. 22 and Executive Order No. 4 are set forth in Exhibit E to this Development Agreement. Developer shall require as part of any contracts issued pursuant to this Agreement that any Associate engaged by Developer shall comply with all such applicable laws, ordinances and regulations.

21.02 Intellectual Property. Developer represents and warrants that any products sold or processes used in the performance of this Agreement do not infringe upon or violate any patent, copyright, trademark, trade secret or any other proprietary rights of any third party. In the event of any claim by any third party against the City, the City shall promptly notify Developer and Developer shall defend such claims in the City's name, but at Developer's expense, using legal counsel reasonably acceptable to the City, and shall indemnify the City against any loss, costs, expense or liability arising out of such claim, whether or not such claim is successful.

21.03 Right To Examine Books. Nothing contained herein shall be construed or permitted to operate as any restriction upon the power granted to the City Council by the City Charter to audit all accounts chargeable against the City. Pursuant hereto the City shall have the right to examine and audit all books, records, documents, and other such supporting data of Developer with respect to the Project as the City may deem necessary.

ARTICLE 22. AMENDMENTS

22.01 Form. Any change, addition, deletion, extension or modification of this Agreement (including assignments) that is mutually agreed upon by and between the City and Developer shall be incorporated in a written amendment (herein called "Amendment") to this Agreement. Such Amendment shall not invalidate this Agreement nor relieve or release Developer of any of its obligations under this Agreement unless stated therein. Notwithstanding the above, P&DD approval is required for material changes in the Construction Plans pursuant to Section 10.02 of this Agreement.

22.02 Binding effect. No Amendment to this Agreement shall be effective and binding upon the parties unless it expressly makes reference to this Agreement, is in writing, is signed and acknowledged by duly authorized representatives of both parties. To be effective against the City, the Amendment must be authorized as set forth in Section 25.16 of this Agreement.

ARTICLE 23. FAIR EMPLOYMENT PRACTICES

23.01 Compliance. In accordance with the United States Constitution and all federal legislation and regulations governing fair employment practices and equal employment opportunity including, but not limited to, Title VII of the Civil Rights Act of 1965 (PL 88-362, 78 Stat. 252, 42 USC § 2000e et seq.), and United States Department of Justice Regulations (28 CFR Part 42) issued pursuant to that Title, and in accordance with the Michigan Constitution and all state laws and regulations governing fair employment practices and equal employment opportunity, including, but not limited to, the Michigan Civil Rights Act (1976 P.A. No. 453) and the Michigan Handicappers Civil Rights Act (1976 P.A. No. 220), Developer agrees that it will not discriminate against any person, employee, consultant or applicant for employment with respect to his or her hire, tenure, terms, conditions, or privileges of employment or hire because of his or her religion, race, color, national origin, age, sex, height, weight, marital status, or handicap that is unrelated to the individual's ability to perform the duties of a particular assignment or position. Developer hereby recognizes the right of the United States and the State of Michigan to seek judicial enforcement of the foregoing covenants against discrimination against itself or its Associates connected directly or indirectly with the performance of this Agreement.

23.02 Non-Discrimination. Developer covenants that it shall not discriminate against any employee or applicant for employment, training, education, or apprenticeship connected directly or indirectly with the performance of this Agreement, with respect to his or her hire, promotion, job assignment, tenure, terms, conditions or privileges of employment because of religion, race, color, creed, national origin, age, marital status, handicap, public benefit status, sex, or sexual orientation. This provision shall not apply if it is determined by the City Human Rights Department that such requirements are bona fide occupational qualifications reasonably necessary to performance of the duties required for employment. The burden of proof that the occupational qualifications are bona fide is upon Developer. Developer shall promptly furnish any information required by the City or its Human Rights Department pursuant to this Section 23.02.

23.03 Associate Notification. Developer further agrees that it shall notify any Associate of its obligations relative to non-discrimination under this Agreement when soliciting same and shall include the provisions of this Article 23 in any subcontract as well as provide the City a copy of any such subcontract upon request. Developer further agrees to take such action with respect to any such subcontract as the City may direct as a means of enforcing the provisions of this Article 23 and Article 21.

23.04 Breach. Breach of the terms and conditions of this Article shall be regarded as a material breach of this Agreement.

23.05 Remedies upon Breach. If Developer fails to comply with the preceding section and/or with any of the rules, regulations or orders as issued by the City's Human Rights Department, the City, at its option, may:

- a. Cancel, terminate or suspend this Agreement in whole or in part.
- b. Recover from Developer an amount of \$ N/A per day, as liquidated damages and not as a penalty, for each day that Developer fails to comply with the preceding section as determined by the City's Human Rights Department in accordance with its rules and regulations; said sum being fixed as negotiated and agreed upon by and between the City and Developer because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages that the City would sustain in the event of such a breach of contract, and agreed to be the amount of damages that the City would sustain.
- c. Utilize such other remedies as may be provided by law.

ARTICLE 24. NOTICES

24.01 Addresses. Except as otherwise specified herein, all notices, consents, approvals, requests and other communications (herein collectively called "Notices") required or permitted under this Agreement shall be given in writing and personally delivered with receipt obtained, or mailed by registered or certified first-class mail, return receipt requested, addressed as follows:

If to the City: Director
Planning & Development Department
2300 Cadillac Tower
Detroit, Michigan 48228

If to Developer: Mr. Eddie BaCall & Zuher Qonia
Grand River & Six Mile, LLC
22443 Plymouth
Detroit, Michigan 48239

24.02 Date of Notice. All notices shall be deemed given when hand-delivered or, if mailed, on the day of mailing. Either party to this Agreement may change its address for the receipt of Notices at any time by giving notice thereof to the other as provided in Section 24.01. Any Notice given by a party hereunder must be signed by an authorized representative of such party.

ARTICLE 25. MISCELLANEOUS

25.01 Standard of Performance. This Agreement shall be conscientiously performed by Developer in all particulars, and in accordance with the highest professional and legal standards, including, but not limited to, architectural and engineering standards and construction safety standards, municipal and federal fair employment practice standards, etc. Developer shall not perform any act directly or indirectly that would act to subvert or otherwise circumvent any of the terms and conditions contained herein. If there is any dispute between the parties with regard to the requirements of the Development Plan or the terms and conditions of this Agreement, the reasonable interpretation and determination of the City shall govern.

25.02 Conferences. Developer hereby agrees to meet at reasonable times with duly authorized City representatives, upon the City's request to discuss any aspect of this Agreement during the term of this Agreement.

25.03 Severability. If any one or more provisions of this Agreement or in any instrument or other document delivered pursuant to this Agreement or the application thereof to any person or circumstance shall to any extent be declared or determined to be invalid or unenforceable, the validity, legality and enforceability of the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected or impaired thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

25.04 Entire Agreement. This instrument, including the exhibits listed in Section 1.03 which are attached hereto and which are made a part of this Agreement, contains the entire agreement between the parties and all prior negotiations and agreements are merged herein. Developer acknowledges that neither the City nor the City's agents have made any representations except those expressly set forth herein, and no rights or remedies are or shall be acquired by Developer by implication or otherwise unless expressly set forth herein.

25.05 Terminology. Unless the context otherwise expressly requires, the words "herein", "hereof", and "hereunder", and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, or other subdivision.

25.06 Covenants and Conditions. All the terms and provisions of this Agreement shall be deemed and construed to be "covenants" and "conditions" as though the words specifically expressing or imparting covenants and conditions were used in each separate term and provision.

25.07 Captions. The headings of the Articles, Sections and other subdivisions in this Agreement are for convenience only and shall not be used to construe or interpret the scope or intent of this Agreement or in any way affect the same.

25.08 Cumulative Remedies; Jurisdiction; Venue. The rights and remedies set forth herein are not exclusive and are in addition to any of the rights and remedies provided by law or equity. All actions arising under this Agreement shall be governed by, subject to, and construed according to the laws of the State of Michigan. Developer agrees, consents and submits to the personal jurisdiction of any competent court in Wayne County, Michigan for any action brought against it arising out of this Agreement. Developer agrees that service of process

at the address and in the manner specified in Article 24 will be sufficient to put Developer on notice. Developer also agrees that it will not commence any action against the City because of any matter whatsoever arising out of or relating to the validity, construction interpretation and enforcement of this Agreement, in any courts other than those in the County of Wayne, State of Michigan. Developer agrees to obtain a similar covenant from any Associate with respect to any contracts issued in pursuance of this Agreement.

25.09 Affiliates. If any Affiliate of Developer shall take any action which, if done by Developer would constitute a breach of this Agreement, the same shall be deemed a breach by Developer, subject to the notice and cure provisions of this Agreement.

25.10 Force Majeure. In the event of enforced delay in the performance by either party of obligations under this Agreement due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, acts of the government, acts of the other party, fires, floods, epidemics, or severe weather, the time for performance of such obligations shall be extended for the period of the enforced delays; provided that the party seeking the benefit of the provisions of this Section shall within thirty (30) days after the beginning of such enforced delay, have first notified the other party in writing of the causes thereof and requested an extension for the period of the enforced delay. In the event that there is any dispute as to what constitutes such force majeure event, the determination of the City shall be controlling.

25.11 Provisions Not Merged With Deed. No provision of this Agreement is intended to or shall be merged by reason of any Deed transferring title to the Property from the City to Developer or any successor in interest, and any such Deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

25.12 Residential Construction. If the Improvements to be constructed by Developer involves residential construction, the following provisions shall apply:

a. Developer agrees to comply with the regulations issued by the Secretary of Housing and Urban Development set forth in 37 CFR Parts 22732-3 and all applicable rules and orders issued thereunder which prohibit the use of lead-based paint in residential structures undergoing federally assisted construction or rehabilitation and require the elimination of lead-based paint hazards.

b. Developer agrees that if the Property is situated in an area identified by HUD as subject to special flood hazards, and in which the sale of flood insurance has been authorized under the National Flood Insurance Act of 1968 (unless the improvements to be constructed on the Property will be covered under an adequate State policy of self-insurance satisfactory to the Secretary of HUD), Developer and its successors and assigns shall keep the improvements now existing or hereafter erected on the Property insured, during their anticipated economic or useful life, under the national flood insurance program in an amount at least equal to the development cost of the Property (less estimated land cost) or to the maximum limit of coverage made available with respect to the particular type of Property under the National Flood Insurance Act of 1968, whichever is less. Prior to conveyance of the Property to Developer by the City, Developer shall furnish the City a copy of a flood insurance policy specifying such coverage or a binding commitment to provide such a policy; provided, that if such coverage is not available to Developer at the time of conveyance, Developer shall furnish such evidence of insurance within fifteen (15) days of the date it becomes available.

25.13 Counterparts. This Agreement may be executed in counterparts each of which shall be deemed to be an original document but together shall constitute one instrument.

25.14 Singular and Plural, etc. As used herein, the singular include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

25.15 Time of the Essence. Time is of the essence of this Agreement.

25.16 Authority of City. Notwithstanding anything in this Agreement or otherwise to the contrary, the City shall not be authorized or obligated to sell the Property to Developer until this Agreement has been fully executed by the duly authorized representative of the City pursuant to the resolution of the Detroit City Council as approved by the Mayor of the City of Detroit, and approved by the City of Detroit Law Department. Any amendments or modifications must likewise be duly authorized by resolution of the City Council as approved by the Mayor, and be approved by the Law Department.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

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

WITNESSES:

Glenn L. Valentine
Print: CLENN L VALENTINE

DEVELOPER

Grand River & Six Mile, LLC, a Michigan Limited Liability Company

Print: _____

By: _____
Print: _____
Its: ZUHER GONJA (MEMBER)

STATE OF MICHIGAN)
 DAKLAND) ss.
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me on Oct 18 2006 by ZUHER GONJA
the MEMBER of GRAND RIVER & SIX MILE LLC MICHIGAN LTD LIABILITY CO.
on behalf of said company

Glenn L. Valentine
Print: _____
Notary Public, Wayne County, Michigan
My commission expires: _____
ACTING IN THE COUNTY OF DAKLAND

WITNESSES:

Christa Sherrer
Print: Christa Sherrer
Hesha Coleman
Print: Hesha Coleman

CITY OF DETROIT,
a Michigan public body corporate

By: _____
Print: Douglass J. Diggs
Its: Director

STATE OF MICHIGAN)
) ss.
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me on Oct 20 2006 by Douglass J. Diggs
the Director of the City of Detroit, a Michigan public body corporate, on behalf of

RONNETTE WILLIAMS STARLING
Notary Public, Michigan
Wayne County
My Commission Expires Aug 29, 2012
Acting in the County of Wayne

Ronnette Williams Starling
Print: Ronnette Williams Starling
Notary Public, Wayne County, Michigan
My commission expires: 12/21/12

Pursuant to 5-18-5-12 of the Detroit City Code, I hereby certify that proper and fair consideration has been received by the City pursuant to this contract.

Roger Short
Finance Director - Roger Short

Approved by Law Department pursuant to Sec. 6-406 of the Charter of the City of Detroit:

Yusef Datt
Corporation Counsel

City Council Approval Date: 05-18-06

Drafted by and when recorded return to:
O'Neal Edwards, Executive Manager
Planning and Development Department
Real Estate Division
65 Cadillac Square
Detroit, MI 48226

QUIT CLAIM DEED

DevAgr

Subject to the following paragraph, the City of Detroit, a Michigan public body corporate whose address is 2 Woodward Avenue, Detroit, MI 48226 ("Grantor"), quit claims to _____ ("Grantee") whose address is _____, the premises located in the City of Detroit, Wayne County, Michigan, described as:

A/K/A _____ Ward: _____ Item(s): _____

(the "Property"), for the sum of _____ (\$ _____), subject to and reserving to the City of Detroit its rights under public assessments and rights of way, easements of record, applicable zoning ordinances, development plans pursuant to Act 344 of 1945 as amended (if any), and restrictions of record.

This Deed is given subject to the terms, covenants and conditions of an Agreement to Purchase and Develop Land dated _____, 20____ entered into by the parties hereto and which is incorporated herein by reference and recorded on _____, 20____ in the Office of the Register of Deeds for the County of Wayne in Liber _____ on Pages _____ through _____ inclusive, none of the terms, covenants and conditions of which shall be deemed merged in this Deed. The covenants therein recited to be covenants running with the land are hereby declared to be covenants running with the land enforceable by the City as therein set forth. If the Property is rented for residential occupancy, the Property must be registered as a rental property pursuant to Ordinance 579-H (Detroit City Code § 28-5-42.5.)

The following language is included pursuant to MCL Sections 560.109(3) and 560.109(4), added by 1996 PA 591, and applies only if the Property is not platted: "The Grantor grants to the Grantee the right to make all divisions under Section 108 of the land division act, Act No. 288 of the Public Acts of 1967, as amended. This 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."

This deed is dated as of _____

WITNESSES:

corporate

CITY OF DETROIT, a Michigan public body

Print: _____

By: _____

Print: _____

Print: _____

Its: _____

STATE OF MICHIGAN)
) ss.
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me on _____, 20____ by _____, the _____ of the City of Detroit, a Michigan public body corporate, on behalf of the City.

Print
Notary Public, Wayne County, Michigan
My commission expires: _____

Pursuant to § 18-5-12 of the Detroit City

Code, I hereby certify that proper and fair consideration has been received by the City pursuant to this instrument.

Finance Director

Approved by Law Department pursuant to Sec. 6-406 of the Charter of the City of Detroit:

Corporation Counsel

LI-45941 Pa-234

Approved by City Council on _____

JCC pp _____ or Detroit Legal News, _____

_____ on file in my office.

Approved by Mayor on _____

City Clerk

This instrument Drafted by:

O'Neal Edwards, Executive Manager
Planning and Development Department
Real Estate Division
65 Cadillac Square
Detroit, MI 48226

When recorded, return to:

O'Neal Edwards, Executive Manager
Planning and Development
Real Estate Division
65 Cadillac Square
Detroit, MI 48226

Exempt from transfer taxes pursuant to MCL § 207.505(h)(i) and MCL § 207.526(h)(i).

Schedule I

CERTIFICATE OF AUTHORITY FOR LIMITED LIABILITY COMPANY

I, ZUHER PONJA Manager of GLAND RIVER SIX MILE LLC
a MICHIGAN limited liability company (the "Company")

DO HEREBY CERTIFY that the following is a true and correct excerpt from [check appropriate box]

- the minutes of a meeting of the Members of the Company duly called and held on _____
- a consent in lieu of a meeting, with signed consents received from all of the Members of the Company on or before the date hereof.

and that the same is now in full force and effect:

MEMBER
"RESOLVED, that any Manager of the Company, is hereby authorized to execute and deliver, in the name and on behalf of the Company, any agreement or other instrument or document in connection with any matter or transaction with the City of Detroit that shall have been duly approved; the execution and delivery of any agreement, document, or other instrument by any of such ~~Managers~~ MEMBER'S to be conclusive evidence of such approval."

I FURTHER CERTIFY that the following persons are MEMBER'S Managers:

ZUHER PONJA
EDDIE BACALL
JAMAL PONJA

I FURTHER CERTIFY that any of the aforementioned MEMBER'S Managers of the Company are authorized to execute or guarantee and commit the Company to the conditions, obligations, stipulations and undertakings contained in the attached Agreement, and that all necessary approvals have been obtained in relationship thereto.

IN WITNESS THEREOF, I have set my hand this 18TH day of JANUARY, 2007

ZC
Print: ZUHER PONJA
Manager
MEMBER