



October 31, 2024

Church Of The Messiah Housing Corporation
P.O. Box 141240
Detroit, MI 48214

RE: SALE OF PROPERTY

Dear Church Of The Messiah Housing Corporation:

This letter constitutes an offer to deal by the Detroit Land Bank Authority (the "**DLBA**") to grant an option to sell real property in the City of Detroit identified in Exhibit A of the attached Option to Purchase and Develop and Agreement to Maintain Property (the "**Agreement**") for \$25,000.00 to Church Of The Messiah Housing Corporation ("**Optionee**") pursuant to the terms and conditions of the attached Agreement and subject to approval by the DLBA Board of Directors.

The DLBA will be emailing a link to Optionee to electronically sign the Agreement. The email will come from "Detroit Land Bank Authority via Conga Sign" or similar. Unless alternate arrangements are timely approved in writing, the DLBA will only accept signatures via this method. If you have not received the link to sign within 3 days of this Offer to Deal, please notify projects@detroitlandbank.org.

If Optionee accepts the offer to deal, Optionee shall, prior to November 30, 2024, electronically sign the Agreement and deliver a money order, cashier's check, or certified check payable to "Detroit Land Bank Authority" in the amount of \$2,500.00, to serve as the "Option Fee" as contemplated by Section 2 of the Agreement. If the Optionee exercises the option and enters into the Purchase & Development Agreement in Exhibit II (the "**Purchase Agreement**"), this Option Fee will be net against the Purchase Price according to the terms of Section 2 of the Agreement. If the Agreement is not approved by the DLBA Board of Directors within 90 days of DLBA's receipt of the signed Agreement and Option Fee, this offer will expire and the Option Fee shall be returned to the Optionee in full.

This letter is considered as an offer to deal only and may be subject to approval by the Detroit Land Bank Authority Board of Directors.

If Purchaser will be delivering any payments or other documents to DLBA's office, please follow all instructions on the DLBA's website – buildingdetroit.org- regarding current office and lobby capacity and scheduling.

This offer to deal expires on November 30, 2024, by such date the signed Agreement and Option Fee have not been delivered to DLBA.

DETROIT LAND BANK AUTHORITY

OPTION TO PURCHASE & DEVELOP AND
AGREEMENT TO MAINTAIN PROPERTY

This Option to Purchase and Develop and Agreement to Maintain Property (this "*Agreement*") is entered by and between the Detroit Land Bank Authority, a Michigan public body corporate, whose address is 500 Griswold Street, Suite 1200, Detroit, Michigan 48226 ("*DLBA*"), and Church Of The Messiah Housing Corporation, a Michigan nonprofit corporation whose address is P.O. Box 141240, Detroit, Michigan 48214 ("*Optionee*"), as of the Effective Date. The "*Effective Date*" of this Agreement will be the date of the last signature date set forth below. DLBA and Optionee are referred to from time to time in this Agreement individually as a "*Party*" and, together, as the "*Parties*."

RECITALS

A. WHEREAS, DLBA has evaluated Optionee's application to purchase certain property located in the City of Detroit, County of Wayne, and State of Michigan, the legal descriptions of which are set forth on Exhibit I attached hereto (individually and collectively, the "*Property*"), in accordance with the terms and conditions of this Agreement; and

B. WHEREAS, Optionee's application or proposed use of all or some portion of the Property (the "*Proposed Use*") requires additional submissions or further information, more fully described as "*Compliance*" in Section 4 below; and

C. WHEREAS, the Parties intend to proceed to transact a sale of the Property upon achievement of Compliance.

AGREEMENT

Now, therefore, in consideration of the foregoing premises, the mutual obligations of the Parties, and other good and valuable consideration, receipt of which is hereby acknowledged, the Parties hereby agree as follows.

1. Grant of Option. DLBA hereby grants Optionee the exclusive and irrevocable option to purchase the Property upon achievement of Compliance, provided that such Compliance occurs before expiration of the Option Term (as defined below), and according to the terms and conditions hereinafter set forth (the "*Option*").

2. Option Fee.

(a) Fee. DLBA acknowledges that Optionee has paid an option fee of \$2,500.00 (the "*Option Fee*").

(b) Applicability if Option Exercised. In the event that Optionee exercises the Option within the Option Term or any extension thereof and is not in default as to any other terms of this Agreement, said Option Fee shall first be applied to the Deposit of the Purchase Agreement, as defined below, and any remaining Option Fee balance shall apply toward the purchase price of the Property at closing on the sale of the Property. The Option Fee shall proportionally apply

toward the purchase price of such Property on a per-square-foot basis at closing on the sale of such Property if any Option Exercise does not include all Property in this Agreement.

(c) **Failure to Exercise.** In the event the Optionee does not timely exercise the Option, DLBA shall be entitled to retain the Option Fee, and this Agreement shall become null and void and neither Optionee nor DLBA shall have any other liability, obligation or duty herein under or pursuant to this Agreement.

(d) **Due Diligence Termination.** If, during the first 60 days after the Effective Date, Optionee discovers any condition of the Property which in Optionee's sole discretion renders the Property unsuitable for the proposed development Optionee may deliver notice to DLBA terminating this Agreement. If DLBA receives such notice, the Option Fee shall be returned to Optionee in full, and this Agreement shall become null and void and neither Optionee nor DLBA shall have any other liability, obligation or duty herein under or pursuant to this Agreement.

3. **Option Term.** Unless terminated earlier according to the terms of Section 9, the Option shall be exercisable by Optionee for 365 days from the Effective Date, provided that DLBA may grant extensions as provided in Section 5 ("*Option Term*"). Within 365 days of the Effective Date, Optionee will provide documentation evidencing completion of the following to DLBA's sole satisfaction:

- Site Control established;
- Contracts executed with Purchaser's Development Team;
- Appraisal and Market Study completed;
- Complete architectural design drawings;
- BEA and Phase 1 Environmental Assessment completed;
- Site plan prepared, including massing and elevations;
- Co=unity engagement sessions facilitated;
- Preliminary Site Plan Review completed;
- Legal entities established, with Articles of Organization or Incorporation and Executed Operating Agreements provided along with any necessary Resolutions appointing or empowering agents and/or Certificates of Incumbency;
- LOis for Construction and Permanent Funding and Equity Funder obtained;
- Site Plan approval received;
- Construction and permanent financing commitments engaged.

4. **Compliance.** Over the course of the Option Term and until successful, Optionee shall diligently make co=ercially reasonable efforts to achieve all requirements described in this Section (such achievement, "*Compliance*").

(a) **Zoning.** If Optionee's Proposed Use is inconsistent with the current zoning ordinances and regulations governing use of the Property, Optionee will make all necessary applications to obtain a variance or, if necessary, rezoning of the Property so that the Proposed

Use is in compliance with zoning ordinances and regulations governing use of the Property. Optionee shall provide to DLBA documentation that the Proposed Use does not require any zoning approvals or that all such approvals have been received.

(b) Design Review. Optionee must develop, submit, and receive approval for a complete design package (the "*Design Package*") including, but not limited to: aerial site location map, site plan, floor plans – with notes and dimensions, exterior elevations -respecting the Proposed Use to the City of Detroit Planning and Development Department (the "*Planning Department*"). If Optionee intends to submit a Design Package which materially differs from the Proposed Use plans previously submitted to DLBA, Optionee must first obtain DLBA's written consent. If the approval is marked "Approved With Changes Noted," Optionee must incorporate all noted changes prior to applying for any affected permits from the Buildings, Safety Engineering, and Environmental Department.

(c) City Council. If the Option Exercise would result in Optionee closing on more than nine parcels in a 365-day period, Optionee must obtain approval for the transaction from the Detroit City Council prior to Option Exercise.

(d) Cost Estimates and Proof of Funds.

(i) Cost Estimates. Optionee will provide to DLBA a commercially reasonable estimate of costs and expenditures required to construct the Proposed Use.

(ii) Proof of Funding. Optionee will provide commercially reasonable proof of funds to complete the Proposed Use. Proof of funds may include, but is not limited to, original bank statements, open equity lines of credit, and executed loan documents.

5. Title.

(a) Title Commitment. DLBA has delivered to Purchaser a commitment for an owner's policy of title insurance from a title company ("*Title Commitment*") for each Property, acceptable to DLBA and Purchaser, to insure Purchaser (or Purchaser's nominee or assignee, if requested by Purchaser) as holder of marketable fee simple title to the Property, together with a copy of all recorded documents affecting the Property, which constitute (or at any Closing will constitute) any covenant, license, right-of-way, easement, limitation, condition, reservation, restriction, right or 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 ("*Encumbrances*") against the Property or exception to DLBA's title.

(b) Identified Exceptions. Within 30 days after the Effective Date, Purchaser will review and identify to DLBA all described Encumbrances (the "*Identified Exceptions*") which could reasonably inhibit Purchaser's ability to complete implementation of the Proposed Use.

(c) **Additional Material Exceptions.** In the event one of the Identified Exceptions or one or more additional exceptions reasonably distinct from the Identified Exceptions (each, an "*Additional Material Exception*") which could reasonably inhibit Purchaser's ability to complete implementation of the Proposed Use (the Identified Exceptions, together with the Additional Material Exceptions, are collectively defined as the "*Objectionable Title Exceptions*") are identified after the Effective Date of this Agreement but before Closing, the following will apply:

(i) **Objectionable Title Exception.** Within 30 days of notification that an Objectionable Title Exception has been identified, DLBA will file and litigate a quiet title action in the Circuit Court of Wayne County, Michigan to materially remove any such identified Objectionable Title Exception, provided that any attempt by DLBA to remove any Encumbrances in the course of such quiet title action will not impose an obligation upon DLBA to remove any Encumbrances. DLBA will be responsible for all costs and fees associated with a quiet title action to remove an Objectionable Title Exception. The deadline for Closing will be tolled until 30 days after the completion of the final such quiet title action.

(ii) **Inability to Remove Objectionable Title Exception.** In the event (A) that DLBA is unable to file a quiet title action within 30 days of notification that an Objectionable Title Exception has been identified or (B) the quiet title action is unsuccessful in removing the Objectionable Title Exception, Purchaser may (C) deliver a notice of its election to terminate to DLBA, whereupon the Deposit will be returned to Purchaser in full, and this Agreement will thereupon terminate or (D) request a reasonable reduction in the Purchase Price commensurate with the loss of value associated with the Objectionable Title Exception.

(d) **Conclusion of Title Services.** Title services will be considered concluded ("*Title Services Conclusion*") upon the occurrence of at least one of the following events for each Property:

(i) Purchaser fails to identify any Identified Exceptions within 30 days after the Effective Date;

(ii) DLBA receives judgements of quiet title eliminating all Objectionable Title Exceptions; or

(iii) DLBA delivers notice under Section (3)(c)(ii) that it is unable to remove all Objectionable Title Exceptions.

6. Extensions.

(a) **First Extension.** If Optionee cannot timely achieve Compliance, but has made measurable progress and exercised diligence in pursuit of same, Optionee may apply to DLBA, in writing and no less than 30 days prior to the expiration of the Option Term, for an extension. Optionee will explain the reasons that the extension is required and provide an estimate of the revised date by which Optionee expects to achieve Compliance. DLBA will grant such

request, extending the Option Term by 90 days (the "*First Extension*"). There will be no fee for the First Extension.

(b) Additional Extensions. If, during the Option Term, Optionee cannot timely achieve Compliance, but has made measurable progress and exercised diligence in pursuit of same, Optionee may apply to DLBA, in writing and no less than 30 days prior to the expiration of the Option Term, as extended, for additional extensions. Optionee will explain the reasons that the extension is required and provide an estimate of the revised date by which Optionee expects to achieve Compliance. In DLBA's sole discretion, DLBA may grant 90-day extensions of the Option Term (each, an "*Additional Extension*"). Each Additional Extension will require payment of \$5,000.00, the sum of which will not be applicable to the purchase price under any subsequent Purchase Agreement. Each Additional Extension will not be effective until any required payment has been received by DLBA.

7. Exercise of the Option. Optionee may exercise the Option by delivering written notice of exercise to DLBA following achievement of Compliance ("*Option Exercise*"). Such notice to DLBA shall include documentation sufficient to verify Compliance. To the extent the Property consists of more than one parcel, Optionee may not exercise the Option as to only a portion of the Property with the prior consent of DLBA.

8. Sale of the Property. Upon exercise of the Option, sale of the Property shall proceed according to terms set forth in a Purchase & Development Agreement (the "*Purchase Agreement*") substantially in the form attached hereto as Exhibit II. Within 15 days after Option Exercise, Optionee shall deliver to DLBA a signed Purchase Agreement sufficient for execution. If Optionee fails to timely sign and deliver the Purchase Agreement for any reason, DLBA shall be entitled to retain the Option Fee, and this Agreement shall become null and void and neither Optionee nor DLBA shall have any other liability, obligation, or duty pursuant to this Agreement.

9. Maintenance of Property. The Option is contingent on Optionee maintaining and, where applicable, securing the Property according to the following terms and conditions.

(a) Optionee shall, within 30 days from the Effective Date, secure and maintain the Property by: (i) clearing the Property of trash and debris and continuing to remove such trash and debris as needed; (ii) ensuring that the grass is neatly edged and does not exceed 8 inches; (iii) trimming all trees, shrubs, and other plant life as needed; and (iv) maintaining all sidewalks and other paved portions of the Property clear of snow and ice in a manner that makes it safe for pedestrians and within the timeframe currently required under City regulations.

(b) Optionee shall provide an update to DLBA evidencing such maintenance within 30 days from the Effective Date, and subsequently provide updates not less than every 90

days thereafter until the earlier of (i) the date of Option Exercise; or (ii) expiration of the Option Term. The updates shall be provided via first class mail or email to:

Detroit Land Bank Authority
Attn: Taylor Rogers
500 Griswold, Suite 1200
Detroit, MI 48226
projects@detroitlandbank.org

10. **Termination.** The Option shall be of no further force and effect upon any of the following events:

(a) Expiration of the Option Term prior to Option Exercise, subject to any extensions granted under Section 5;

(b) Optionee violates any of the terms and conditions of this Agreement and fails to cure such violation within 30 days after written demand by DLBA to correct said violation;

(c) Optionee notifies DLBA in writing that Optionee relinquishes its rights and obligations under this Agreement; or

(d) DLBA and Optionee close on the sale of any portion of the Property, provided that DLBA and Optionee may amend this Agreement in writing so that the Option continues to apply to any unpurchased remainder of the Property for which Optionee is still actively pursuing Compliance.

Upon termination, this Agreement shall become null and void and neither Optionee nor DLBA shall have any other liability, obligation, or duty pursuant to this Agreement, provided, however, that Optionee may relinquish the Option as to only a portion of the Property and retain the Option and all rights and obligations of this Agreement as to the remainder of the Property.

11. RightofEntry.

(a) **Purpose.** DLBA grants Optionee a temporary license allowing access to the Property to Optionee and its employees, agents, contractors, or partners during the Option Term to permit ingress, egress, and maintenance of the Property as well as to inspect the Property and to make engineering and environmental tests and studies to determine the feasibility of the Proposed Use, including but not limited to soil boring and bearing tests and detailed surveying activities and such environmental due diligence as Optionee deems reasonably appropriate, provided such work does not interfere with demolition or site improvement activities of DLBA or the business use of any tenant in possession. All such testing shall be done at the risk and expense of Optionee. Optionee shall not use the Property for any other purpose or use except to secure, maintain, or study the Property as set forth above.

(b) **Compensation.** Optionee waives any claim to compensation or reimbursement of any kind for any improvements made to the Property or for any activity performed in connection with this Agreement.

(c) **Test Results.** Purchaser will provide DLBA copies of the results of any environmental testing performed by Purchaser prior to the expiration of the Option Term or Option Exercise.

(d) **Liability & Indemnity.** To the extent permitted by law, DLBA assumes no liability or responsibility whatsoever with respect to Optionee's work on and maintenance or study of the Property. Optionee agrees to indemnify and hold harmless DLBA, its departments, agencies, boards, commissions, officers, agents and employees from all claims, demands, actions, or liability for any property damage or personal injuries sustained by any person arising from or related to Optionee's access of the Property, or from any act or omission of Optionee in exercising its rights under this temporary license. Optionee will promptly pay and/or reimburse DLBA for any and all costs or expenses incurred in defending against an action arising out of Optionee's work on and maintenance of the Property or any activities of Optionee in connection with Section 8 of this Agreement. Optionee shall provide notice to and incorporate this indemnification provision in agreements with all employees, successors, assigns, agents and contractors working on the Property subject to this temporary license.

(e) **Insurance.** Optionee must obtain general liability insurance that provides full coverage for DLBA, its successors and assignees for all claims, demands, actions, suits, judgments and settlements for bodily injury or property damage arising out of Optionee's work on and maintenance of the Property. Optionee will maintain minimum policy limits in the amount of \$500,000.00 per occurrence for property damage, and \$1,000,000.00 per occurrence for bodily injury, with a \$2,000,000.00 aggregate. Within 30 days of the Effective Date, Optionee will provide DLBA a certificate of insurance listing DLBA as an additional insured. The insurance policy must provide that it may not be modified, cancelled, or allowed to expire without 30 days prior written notice to DLBA. At any time during the term of this temporary license, DLBA may request proof of insurance coverage from Optionee. Optionee will reimburse DLBA for any and all costs, expenses, and insurance premiums paid and/or incurred by DLBA due to Optionee's failure to maintain adequate insurance coverage.

12. **Integration; Modification.**

(a) This Agreement contains both DLBA's and Optionee's entire intentions and understandings in regard to the Property. This Agreement supersedes any prior agreements, whether written or oral.

(b) DLBA and Optionee may modify this Agreement only in a writing signed by both Parties. Any such modifications will become part of this Agreement by incorporation.

13. **Notice; Updates.** Except as otherwise expressly provided herein, all notices and communications hereunder must be in writing and will be deemed to have been given when either hand-delivered, sent by first class mail, sent by national overnight courier, or emailed.

Notice to Optionee should be sent to the address above set forth, rcannon@messiahhousing.org, or another such other address or email as Optionee designates in writing to DLBA.

Notice to DLBA will be provided to the following or another such other address or email as DLBA designates in writing to Optionee:

Detroit Land Bank Authority
Attn: Taylor Rogers
500 Griswold Street, Suite 1200
Detroit, Michigan 48226
projects@detroitlandbank.org

14. **Assignments.**

(a) Optionee may not assign, transfer, convey, or pledge its rights or obligations under this Agreement or with respect to the Property without the prior written consent of DLBA, which consent DLBA may withhold in its sole discretion.

(b) If Optionee is not a natural person or persons, Optionee may not transfer 10% or more in the ownership or distribution of the ownership interests of the Optionee or with respect to the identity of the parties in control of the Purchaser.

15. **Miscellaneous.**

(a) **Severability.** If any one or more of this Agreement's provisions is/are held invalid or unenforceable in any respect, all other provisions will remain valid and enforceable as stated in this Agreement.

(b) **Captions.** The headings of the 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.

(c) **Governing Law; Jurisdiction; Venue.** This Agreement is governed by applicable Michigan law. Optionee 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. Optionee agrees that service of process at the address and in the manner specified above will be sufficient to put Optionee on notice. Optionee also agrees that it will not commence any action against DLBA 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 Wayne County, Michigan.

(d) **Binding Effect.** This Agreement will be binding on the heirs, devisees, legal representatives, claimants, successors, and assignees of the Parties.

(e) **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.

(f) **Waiver.** No waiver by either Party of any of its rights or remedies hereunder or otherwise will be considered a waiver of any other subsequent right or remedy. Except as expressly provided herein, no waiver by either Party of any of its rights or remedies hereunder or

otherwise will be effective unless such waiver is evidenced in a written instrument executed by the waiving Party.

(g) **Dates.** If any date herein set forth for the performance of any obligations of DLBA or Optionee, or for the delivery of any instrument or notice as herein provided, should be on a Saturday, Sunday, or legal holiday, the compliance with such obligations (or such delivery, as the case may be) will be deemed acceptable on the next business day following such Saturday, Sunday, or legal holiday.

[Signatures begin on the next page]

The Detroit Land Bank Authority and Church Of The Messiah Housing Corporation have caused this Option to Purchase and Develop and Agreement to Maintain Property to be executed as of the Effective Date.

DETROIT LAND BANK AUTHORITY

 *Tammy Daniels*

Dated: 11/26/2024

Tammy Daniels
Chief Executive Officer

CHURCH OF THE MESSIAH HOUSING CORPORATION

 *Richard A Cannon Jr*

Dated: **11/22/2024**

By: _____

Name: **Richard A Cannon Jr**

Title: **Executive Director**

Signature page 1 of 1 of the Option to Purchase and Develop and Agreement to Maintain Property between DLBA and Church Of The Messiah Housing Corporation for 2148, 2158, 2166, 2172, 2184, and 2194 Field, Detroit, Michigan 48214

OPTION EXHIBIT I

The Property

EFIELDLOT 5 LINDEN PARK SUB LI6P5 PLATS, WCR 17/41 50 X 150 Parcel ID: 17013563. Commonly known as 2148 Field, Detroit, Michigan 48214
EFIELDLOT6LINDENPARK SUB LI6P5 PLATS, WCR 17/4150 X 150 Parcel ID: 17013564. Commonly known as 2158 Field, Detroit, Michigan 48214
EFIELDLOT7LINDENPARK SUB LI6P5 PLATS, WCR 17/4150 X 150 Parcel ID: 17013565. Commonly known as 2166 Field, Detroit, Michigan 48214
EFIELDLOT 8 LINDEN PARK SUB LI6P5 PLATS, WCR 17/4150 X 150 Parcel ID: 17013566. Commonly known as 2172 Field, Detroit, Michigan 48214
E FIELDS 25FT OF LOT 9 LINDEN PARK SUB LI6 P5 PLATS, W C R 17/41 25 X 150 Parcel ID: 17013567. Commonly known as 2184 Field, Detroit, Michigan 48214
EFIELDPTOFLOT9 AND LOT IOLINDENPARK SUB CRL16 P5 PLATS, WC R 17/41; ALL DESC AS COMMAT S LNVERNORANDE LNFIELD TH S 26D 56M 55S E 310.78 FT TO POB TH N 63D 05M 22S E 150A2 FT TH S 26D 58M 59S E 35.00 FT TH S 63D 05M 49S W 150.44 FT THN 26D 56M 55S W 34.98 FT TO POB 34.98 X 150.39A Parcel ID: 17013568.001 Commonly known as 2194 Field Detroit, Michigan 48214

[Remainder of page intentionally left blank]

OPTION EXHIBIT II

PURCHASE AGREEMENT

(See attached)

PURCHASE & DEVELOPMENT AGREEMENT

This Purchase & Development Agreement (this "*Agreement*") is entered into by and between the Detroit Land Bank Authority, a Michigan public body corporate, whose address is 500 Griswold Street, Suite 1200, Detroit, Michigan 48226 ("*DLBA*"), and Church Of The Messiah Housing Corporation, a Michigan nonprofit corporation whose address is P.O. Box 141240, Detroit, Michigan 48214 ("*Purchaser*"), as of the Effective Date. The "*Effective Date*" of this Agreement will be the date of the last signature set forth below. DLBA and Purchaser are referred to from time to time in this Agreement individually as a "*Party*" and, together, as the "*Parties*."

1. Property Description; Sale. DLBA will sell and Purchaser will purchase real property located in the City of Detroit, County of Wayne, and State of Michigan, the legal descriptions of which are attached to this Agreement as Exhibit A (individually and collectively, the "*Property*"), in accordance with the terms and conditions of this Agreement.

2. Purchase Price; Deposit; Taxes.

(a) Purchase Price. The purchase price for the Property is \$25,000.00 (the "*Purchase Price*"). Purchaser will pay the Purchase Price in full at the time of closing on the sale of the Property (the "*Closing*"), less the amount of the Deposit (as defined in Subsection (b)).

(b) Earnest Money Deposit. DLBA acknowledges that Purchaser has made an earnest money deposit in the amount \$2,500.00 (the "*Deposit*"), and that this Deposit will be either (i) applied to the Purchase Price at Closing; or (ii) retained by DLBA as expressly set forth in this Agreement.

(c) Taxes and Other Charges. Purchaser will be responsible for paying any outstanding taxes, solid waste fees, water and sewer charges, or other recorded lien charges assessed against the Property prior to the Closing.

3. Right of Entry; Due Diligence; and Maintenance.

(a) Pre-Closing Period. The "*Pre-Closing Period*" is the period beginning on the Effective Date and ending on the date which is 180 days thereafter. The Pre-Closing Period may be extended according to the terms of Section 4(b).

(b) Right of Entry. DLBA grants Purchaser a temporary license allowing access to the Property to Purchaser and its employees, agents, contractors, or partners during the Pre-Closing Period to permit ingress, egress, and maintenance of the Property as well as to inspect the Property and to make engineering and environmental tests and studies as may be required or desirable for Purchaser to determine the feasibility of any proposed use, including but not limited to soil boring and bearing tests and detailed surveying activities and such environmental due diligence as Purchaser deems reasonably appropriate, provided such work does not unreasonably interfere with demolition or site improvement activities of DLBA or the business use of any tenant in possession. DLBA agrees to deliver prior notice to Purchaser of any such planned demolition or site improvement activities and notify Purchaser of any tenants in possession of the Property or

any part thereof. All such testing will be done at the risk and expense of Purchaser. Purchaser will not use the Property for any other purpose or use except to secure, maintain, or study the Property as set forth above. To the extent permitted by law, DLBA assumes no liability or responsibility whatsoever with respect to Purchaser's work on and maintenance or study of the Property. Purchaser agrees to indemnify and hold harmless DLBA, its departments, agencies, boards, commissions, officers, agents and employees from all claims, demands, actions, or liability for any property damage or personal injuries sustained by any person arising from or related to Purchaser's access of the Property, or from any act or omission of Purchaser in exercising its rights under this temporary license. Purchaser will promptly pay and reimburse DLBA for any and all costs or expenses incurred in defending against an action arising out of Purchaser's work on and maintenance of the Property or any activities of Purchaser in connection with this temporary license unless caused by DLBA's (or any of its departments', agencies', boards', commissions', officers', agents' and employees') gross negligence or willful misconduct. Purchaser will provide notice to and incorporate this indemnification provision in agreements with all employees, successors, assigns, agents and contractors working on the Property subject to this temporary license. Purchaser must obtain general liability insurance that provides full coverage for DLBA, its successors and assignees for all claims, demands, actions, suits, judgments, and settlements for bodily injury or property damage arising out of Purchaser's work on and maintenance of the Property with minimum policy limits in the amount of \$500,000.00 per occurrence for property damage, and \$1,000,000.00 per occurrence for bodily injury, with a \$2,000,000.00 aggregate. Within 10 days after the Effective Date, Purchaser will provide DLBA a certificate of insurance listing DLBA as an additional insured. The insurance policy must provide that it may not be modified, cancelled, or allowed to expire without 30 days prior written notice to DLBA (provided, however, if Purchaser's insurance provider or policy does not provide for such notice, then in lieu of such notice from the insurer, Purchaser covenants to provide such notice to DLBA). At any time during the term of this temporary license, DLBA may request proof of insurance coverage required under this Section from Purchaser. Purchaser will reimburse DLBA for any and all costs, expenses, and insurance premiums paid or incurred by DLBA due to Purchaser's failure to maintain insurance coverage required under this Section.

(c) Maintenance of Property. Beginning on the Effective Date and until Closing or the termination of this Agreement, Purchaser will secure and maintain the Property by: (i) clearing the Property of trash and debris and continuing to remove such trash and debris as needed; (ii) ensuring that the grass is neatly edged and does not exceed 8 inches in height; (iii) trimming all trees, shrubs, and other plant life as needed; and (iv) maintaining all sidewalks and other paved portions of the Property clear of snow and ice in a manner that makes it safe for pedestrians and within the timeframe currently required under City regulations.

4. Design Review.

(a) Design Review. Purchaser must develop, submit, and receive approval for a complete design package (the "*Design Package*") to the City of Detroit Planning and

Development Department (the "*Planning Department*") prior to the expiration of the Pre-Closing Period. If Purchaser intends to submit a Design Package which materially differs from the Proposed Use plans previously submitted to DLBA, Purchaser must first obtain DLBA's written consent. If the approval is marked "Approved With Changes Noted," Purchaser must incorporate all noted changes prior to applying for any affected permits from the Buildings, Safety Engineering, and Environmental Department.

(b) Pre-Closing Period Extensions.

(i) First Extension. If Purchaser has submitted a reasonably complete design package prior to the expiration of the Pre-Closing Period, the Closing, as defined below, Purchaser may, prior to the expiration of the Pre-Closing Period, request the Pre-Closing Period be extended for 90 days to allow Purchaser to receive all such necessary approvals from the Planning Department (the "*First Pre-Closing Extension*"). Such extension will be granted without further compensation.

(ii) Additional Extensions. If (A) Purchaser fails to timely request the First Pre-Closing Extension or (B) Purchaser cannot complete any necessary actions during the First Pre-Closing Extension, but has made measurable progress and exercised diligence in pursuit of same, Purchaser may apply to DLBA, in writing, for additional extensions. Purchaser will explain the reasons that the extension is required. In DLBA's reasonable discretion, DLBA may grant 90-day extensions of the Pre-Closing Period (each, an "*Additional Pre-Closing Extension*"). Each granted Additional Pre-Closing Extension will require payment of \$10,000.00, the sum of which will not be applicable to the Purchase Price. Each Additional Pre-Closing Extension will not be effective until any required payment has been received by DLBA.

5. Title. DLBA will deliver an updated commitment for an owner's policy of title insurance from a title company as soon as practicable after the Effective Date. In the event one or more exceptions which were not identified prior to the Effective Date are identified and such exceptions could reasonably inhibit Purchaser's ability to complete implementation of the Purchaser's intended use (each, a "*Later Identified Exception*"), Purchaser will deliver notice identifying the Later Identified Exception(s) and the DLBA will promptly file and litigate a quiet title action in the Circuit Court of Wayne County, Michigan to materially remove any such identified Later Identified Exception. DLBA will be responsible for all costs and fees associated with a quiet title action to remove a Later Identified Exception. Any deadline for Closing in the Purchase Agreement will be tolled until 30 days after the completion of the final such quiet title action. In the event (a) that DLBA is unable to file a quiet title action within 30 days of notification that an Later Identified Exception has been identified or (b) the quiet title action is unsuccessful in removing the Later Identified Exception, Purchaser may (C) deliver a notice of its election to terminate to DLBA, whereupon the Deposit will be returned to Purchaser in full, and this Agreement will thereupon terminate or (d) request a reasonable reduction in the Purchase Price commensurate with the loss of value associated with the Later Identified Exception.

6. Financing. DLBA may, at its sole discretion, subordinate or assign its interests in the Property to assist Purchaser in obtaining any financing necessary for Purchaser to purchase the Property. Any such subordination or assignment agreement must be acceptable to DLBA, and DLBA has the complete discretion to make changes to its terms or to reject it for any reason.

7. Closing.

(a) Time and Place of Closing. Unless tolled to accommodate a Quiet Title Action, DLBA and Purchaser will close the transaction under this Agreement within 30 days after the expiration of the Pre-Closing Period on a date mutually agreed to by the Parties. The Closing will take place after satisfaction of the conditions to Closing as specified in this Section.

(b) Title Company. DLBA, and only DLBA, may, at its sole discretion, elect to retain the services of a title company of its choice to complete the transfer of the Property.

(c) Quit Claim Deed. DLBA will convey its interest in the Property to Purchaser through a Quit Claim Deed (the "*Deed*"), substantially in the form attached to this Agreement as Exhibit B. Purchaser waives all warranties pertaining to the Property's condition and takes the Property "AS IS, WHERE IS, WITH ALL FAULTS," as described in Section 10.

(d) Requirements. DLBA's obligation to effect a Closing hereunder will be subject to the fulfillment by Purchaser of each of the following conditions precedent:

(i) Design Package. Purchaser will deliver documentation that the Design Package has been approved by the Planning Department. The Design Package must propose a) Six (6) three-bedroom townhome units (1,350 sq ft each) on CMHC-owned parcels located on Baldwin St., b) Twenty (29) units in a low-rise multi-family building including 4 studio units (469 sq ft), 20 one-bedroom (545-580 sq ft), and 5 two-bedroom units (1,054 sqft) on DLBA-owned Field Street parcels.

(ii) Purchaser's Reconveyance Deed. Purchaser will furnish an executed Reconveyance Deed that reconveys the Property to DLBA (the "*Reconveyance Deed*"), substantially in the form attached to this Agreement as Exhibit C. If Purchaser is in breach of any of its obligations set forth in this Agreement, the Reconveyance Deed will be considered delivered to DLBA, and DLBA will have the right to accept and record the Reconveyance Deed at the Wayne County, Michigan Register of Deeds, as provided in Section 17.

(iii) No Delinquent Taxes. Purchaser and Purchaser's affiliates will not own or control any properties in the City of Detroit which have a delinquent property tax balance. In the event Purchaser is in good faith contesting any amount due, Purchaser may, in lieu of paying said amount, deposit said amount in an escrow account which will be disbursed upon the resolution of the dispute.

(iv) Proof Of Funds. Purchaser will deliver a commercially reasonable estimate of costs and expenditures required to complete the Project(s), as defined in Appendix 1,

together with documentation of commercially reasonable financial resources sufficient to complete the Project(s).

(v) **Documents and Legal Matters.** All documents reasonably requested by DLBA will have been submitted to DLBA and will be satisfactory in form and content as determined by DLBA.

(vi) **Payment of Purchase Price and Closing Costs.** Purchaser will have tendered payment of the Purchase Price and the Closing costs payable by Purchaser.

(vii) **No Default.** There will exist no uncured Event of Default (as defined below) by Purchaser under this Agreement.

(e) **Payment of Expenses.** Purchaser will also pay the following expenses at Closing:

(i) any outstanding taxes, solid waste fees, water and sewer charges, or other recorded lien charges assessed against the Property prior to the Closing.

(ii) costs related to filing of the Real Property Transfer Affidavit, if any;

(iii) the title company's closing and escrow fees; **if any**; and

(iv) any title insurance premiums or other costs to issue a title policy and any endorsements thereto required by Purchaser.

8. **DLBA Tax Distribution.** Purchaser acknowledges that DLBA is entitled to the distribution of an amount equal to 50% of the property taxes collected on the property for the 5 tax years subsequent to transferring ownership of the Property. The tax distribution may be incompatible with tax abatements and lot combinations that are otherwise available to Purchaser and could prevent Purchaser from obtaining such abatements or lot combinations unless waived. DLBA will waive its right to the tax distribution for purchasers seeking such tax abatements or lot combinations in exchange for a payment in addition to the Purchase Price. The waiver may be granted at Closing or any time thereafter upon payment by Purchaser.

9. **Construction Plans.**

(a) **Construction Plans.** Copies of all plans submitted as part of the Design Package as required by the Option to Purchase and Develop and Agreement to Maintain Property executed by the Parties, and any additional plans, drawings, specifications, related documents, and construction progress schedule respecting the Project (collectively, the "**Construction Plans**") submitted to and approved by any city, state, federal, or other governmental unit (collectively, the "**Governmental Authorities**") prior to the recording of the Release of Interest will be delivered to DLBA within 7 days of approval by the relevant Governmental Authorities. Such Construction Plans will be incorporated into this document as part of Exhibit E. In the event that any items approved and incorporated as Construction Plans conflict, items approved by the Planning Department will be considered controlling.

(b) **Modification of Plans.** If the Design Package approval is marked "Approved With Changes Noted," Optionee must incorporate all noted changes prior to applying for any affected permits from the Buildings, Safety Engineering, and Environmental Department. Any other material change to the Construction Plans will require written acceptance from DLBA and the Planning Department prior to implementation. Any change to the exterior of proposed structures will be considered a material change. If Purchaser desires to make any material change in the Construction Plans after the Effective Date, Purchaser will submit the proposed change to the Planning Department for its acceptance. It will be within Planning Department's sole determination to accept or reject such change. In the event of a dispute with respect to what constitutes a material change, DLBA's reasonable determination will control.

(c) **Other Approvals.** Acceptance by DLBA of the Construction Plans is in addition to any approvals by the City of Detroit's Buildings & Safety Engineering Department (or other agencies or departments) for building permits, use permits, certificates of occupancy, and other permits whether required by other City of Detroit departments and agencies or otherwise. Purchaser will be responsible for obtaining said permits and approvals.

10. **Property Condition and Indemnification.** DLBA hereby disclaims any warranty, guaranty or representation, express or implied, oral or written, past, present, or future, of, as to or concerning (a) the condition or state of repair of the Property, or the suitability thereof for any purpose; (b) the extent of any right-of-way, lease, possession, lien, encumbrance, easement, license, reservation, or condition in connection with the Property; (c) the compliance of the Property with any applicable laws, ordinances, or regulations of any government or other body, including, without limitation, compliance with any land use or zoning law or regulation, or applicable environmental, rules, ordinances, or regulations; (d) title to or the boundaries of the Property; and (e) the physical condition of the Property, including, without limitation, the environmental condition of the Property and the structural, mechanical, and engineering characteristics of the improvements to the Property. The sale of the Property will be on an "AS IS, WHERE IS, WITH ALL FAULTS" basis. Purchaser expressly acknowledges and agrees that DLBA makes no warranty or representation, express or implied, or arising by operation of law, including, but not limited to, any warranty of condition, habitability, merchantability, or fitness for a particular purpose, with respect to the Property, and Purchaser hereby expressly waives and releases any such warranty or representation. Purchaser will buy the Property based on its own investigations, and, by accepting title to all or part of the Property, acknowledges that it has conducted such investigations as it has deemed necessary or advisable. Purchaser will indemnify and hold DLBA and each of its officers, employees, agents, and affiliates, and the successors, assigns, heirs, and legal representatives of each of the foregoing (collectively, the "**DLBA Indemnified Parties**") free and harmless from and against any and all claims, damages, liabilities, losses, costs, and expenses (including reasonable attorneys' fees and court costs incurred in connection with the enforcement of this indemnity) related to, resulting from, or in any way arising out of the physical condition of the Property or the ownership or operation of the Property prior

to, on, and after Closing. Purchaser's indemnification obligations set forth in this Section will survive Closing and will not be merged with the Deed.

11. Limitation of Liability. Purchaser understands and acknowledges that DLBA has acquired the Property through foreclosure or similar process, DLBA has never occupied the Property, and DLBA has little or no direct knowledge about the physical condition of the Property. Purchaser agrees that Purchaser is buying the Property "as is" (as more fully set forth in Section 10 of this Agreement).

Notwithstanding any provision to the contrary in this Agreement, DLBA's liability and Purchaser's sole and exclusive remedy in all circumstances and for all claims arising out of or relating in any way to the Agreement or the sale of the Property to Purchaser will be limited to no more than the Purchase Price. Purchaser agrees that DLBA will not be liable under any circumstances for any special, consequential, or punitive damages whatsoever, whether in contract, tort (including negligence and strict liability), or any other legal or equitable principle, theory, or cause of action arising out of or related in any way to any claim relating to this Agreement or the transfer of the Property to Purchaser, including the condition of the title.

12. Inspections by Purchaser. By executing this Agreement, Purchaser acknowledges and confirms that it is not relying on any information provided or to be provided on behalf of DLBA or any statement, representation, or other assertion made by DLBA or its employees or agents with respect to the Property. All testing, inspections, and investigations will be conducted at Purchaser's sole cost and expense and Purchaser hereby indemnifies DLBA, and holds DLBA harmless against any loss, costs, damage, or expenses arising out of such testing, inspections, and investigation performed by Purchaser, its agents, employees, independent contractors, or assignees.

13. Representations and Warranties of Purchaser. To induce DLBA to enter into this Agreement, Purchaser makes the following representations and warranties, which will be true and correct on the date of Closing:

(a) Purchaser is authorized and permitted to enter into this Agreement and to perform all covenants and obligations of Purchaser hereunder and Purchaser's right to execute this Agreement is not limited by any other agreements. The execution and delivery of this Agreement, the consummation of the transaction described herein and compliance with the terms of this Agreement will not conflict with, or constitute a default under, any agreement to which Purchaser is a party or by which Purchaser is bound or violate any regulation, law, court order, judgment, or decree applicable to Purchaser. This Agreement is legally binding on and enforceable against Purchaser in accordance with its terms.

(b) There are no attachments, executions, assignments for the benefit of creditors or voluntary or involuntary proceedings under the Bankruptcy Code, 11 U.S.C. §101, et seq., or under any other debtor relief laws pending or threatened against Purchaser.

(c) If Purchaser is not a natural person or persons, Purchaser has been duly organized, is validly existing and is in good standing in the jurisdiction in which it was formed, and is qualified to do business in the State of Michigan. This Agreement is, and all documents executed by Purchaser and delivered to DLBA at the Closing will be duly authorized, executed, and delivered by Purchaser.

(d) No other action by Purchaser; no consent, approval, order, or authorization of any person or entity that is not a party to this Agreement; and no permit, consent, approval, declaration, or filing with any governmental authority is required for Purchaser to execute and deliver this Agreement or perform the transaction contemplated herein.

(e) Neither Purchaser nor any Affiliate (as defined below) has material unresolved blight or building code violations under the Detroit City Code.

(f) Neither Purchaser nor any Affiliate has been awarded another property by DLBA and then failed to (i) make the deposit on time; (ii) close the purchase on time; or (iii) satisfy the requirements to rehabilitate and have the property occupied on time.

The representations and warranties of Purchaser set forth above and elsewhere in this Agreement will survive Closing for a period of 2 years (the "*Survival Period*"), provided that if Purchaser is granted any extensions of time under Section 15, then the Survival Period will also automatically be extended for the same period. If DLBA determines during the Survival Period that Purchaser was in breach of any of Purchaser's representations and warranties in this Agreement as of Closing, DLBA will have the right to retain the proceeds from the sale of the Property as liquidated damages and to pursue any of DLBA's remedies set forth in Section 17. Notwithstanding anything to the contrary, the Survival Period will end immediately upon DLBA's recording of the Release of Interest, as defined below, for each Property.

For purposes of this Agreement, "*Affiliate*" means any other person or entity: (i) in which Purchaser has an ownership interest or (ii) that, directly or indirectly, controls, is controlled by, or is under common control with Purchaser; for the purposes of this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the person or entity in question, whether by the ownership of voting securities, contract, or otherwise.

14. **Affirmative Covenants.** Purchaser covenants and agrees that until the Release of Interest is recorded for each Property it will:

(a) **Maintenance of Business Existence.** Continue to engage in business of the same general type as now conducted and do all things necessary to preserve, renew, and keep in full force and effect its limited liability company and rights and franchises necessary to continue such business and preserve and keep in force and effect all licenses and permits necessary for the proper conduct of its business.

(b) Notification of Defaults. Promptly notify DLBA 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.

(c) Notification Relating to Development Lender. Promptly notify DLBA of any refusal by its development lender, if any, 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.

(d) Access to Records and Premises. Permit DLBA to inspect and make and take away copies of any and all of its records relative to this Agreement. Purchaser will permit DLBA and its agents, its investigators, or law enforcement officials to inspect the Property, without notice, until completion of the Project (as defined in Appendix 1) to verify compliance with Purchaser's obligations under this Agreement.

(e) Compliance with Laws, Ordinances, or other Regulations. Comply with and will require all consultants, contractors, subcontractors, or any other party engaged by Purchaser and the agents and employees of said parties engaged by the Purchaser to undertake any of the activities associated with the performance of this Agreement to comply with all applicable laws, ordinances, or other regulations imposed by any governmental authority. Purchaser will require as part of any contracts issued in connection with this Agreement that any consultant, contractor, subcontractor, or any other party engaged by Purchaser will comply with all such applicable laws, ordinances, and regulations.

(f) Further Information. Promptly furnish DLBA from time to time such other information regarding its operations, business affairs, and financial condition concerning this Agreement that DLBA may reasonably request.

(g) Further Assurances. 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.

15. Purchaser's Obligation to Return the Property to Productive Use.

(a) Purchaser will complete the development of the Property according to the terms set forth in Appendix 1 attached to this Agreement.

(b) When Purchaser considers all work on a Project to be complete, it will so notify DLBA. DLBA will thereafter make or cause to be made such inspection or, at DLBA's election, request that Purchaser provide any further documentation of completion of the Project. Upon DLBA's determination that the Project is complete, DLBA will record with the Wayne County Register of Deeds a Release of Interest, substantially in the form attached to this Agreement as Exhibit D (each a "*Release of Interest*"), which will be conclusive acknowledgment by DLBA of Purchaser's satisfaction of its obligations under this Section. If DLBA determines the Project is not complete, DLBA will so notify Purchaser in writing indicating in what respects

Purchaser has failed to implement the Project or is otherwise in default, and what measures and acts Purchaser will take or perform to cure such nonconformity or default. Purchaser will thereafter promptly complete the Project.

(c) If Purchaser cannot timely complete a Project, but has made measurable progress and exercised diligence in working to do so, Purchaser may apply to DLBA, in writing and no later than 30 days prior to the required Project completion date, for an extension, and in such writing Purchaser will explain the reasons that the extension is required and provide an estimate of the revised completion date. In DLBA's reasonable discretion, DLBA may grant Purchaser extensions of 90 days to complete the work or declare the Purchaser in default. Each 90-day extension request, if approved, will be granted in exchange for \$10,000.00. Each extension will not be effective until any required payment has been received by DLBA.

16. **Defaults and Events of Default.**

(a) **Default by Purchaser.** The occurrence of any one or more of the following events will constitute a **Default** of this Agreement by Purchaser:

(i) Purchaser fails to complete the Project or otherwise report progress on implementation as specified by this Agreement.

(ii) Purchaser fails to pay real estate taxes or assessments or any part thereof on the Property when due, or places 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.

(iii) Purchaser violates any of the terms and conditions of this Agreement, except as otherwise provided in this Section.

(iv) Purchaser fails to close after receiving notice from DLBA as described in Section 7(a).

(v) Purchaser closes on the acquisition of more than nine parcels from DLBA within any 365-day period without approval from the Detroit City Council prior to the Release of Interest being recorded.

(vi) Any transfer of all or any part of the Property or of any right or interest in all or any part of the Property in violation of Section 22.

(vii) If Purchaser is not a natural person or persons, any change of 10% or more in the ownership or distribution of the ownership interests of the Purchaser or with respect to the identity of the parties in control of the Purchaser.

(viii) Purchaser admits in writing its inability to pay its debts generally as they become due, or Purchaser ceases to conduct business in the normal course by reason of any of the following: (i) the making by Purchaser of any general arrangement or general assignment for the benefit of creditors; (ii) Purchaser becoming a "debtor" as defined in 11 U.S.C. Section 101

or any successor statute thereto unless, in the case of a petition filed against Purchaser, the same is dismissed within 60 days; (iii) the appointment of a trustee or receiver to take possession of substantially all of Purchaser's assets located at the Property or of Purchaser's interest in this Agreement, where possession is not restored to Purchaser within 60 days; (iv) the attachment, execution, or other judicial seizure of substantially all of Purchaser assets located at the Property or of Purchaser's interest in this Agreement, where such seizure is not discharged within 60 days; or (v) its voluntary or involuntary dissolution;

(b) Failure to Cure Default. Any such Default by Purchaser as set forth in Section 16(a)(i)-(iii) and Purchaser's failure to cure such Default within 30 days after written demand by DLBA to correct said Default will be deemed to constitute an *Event of Default*. In the event Purchaser is in good faith contesting any amount due under Section 16(a)(ii), the Purchaser may, in lieu of paying said amount, deposit said amount in an escrow account which will be disbursed upon the resolution of the dispute, or if the amount relates to a construction lien, the Purchaser may bond over the lien in the manner prescribed by law. Any Default pursuant to Section 16(a)(iv)-(viii) are hereby deemed to be material, non-curable *Event of Default* without the necessity of any notice by DLBA to Purchaser thereof. DLBA may, in its sole discretion, waive in writing any Default or Event of Default by the Purchaser.

17. DLBA's Remedies upon Purchaser's Default. Upon an Event of Default, DLBA may seek any and all of the following as its remedies.

(a) DLBA will have the right to terminate this Agreement by providing written notice of termination to Purchaser and to retain the Purchase Price as liquidated damages. DLBA and Purchaser agree that (i) it would be impractical and extremely difficult, if not impossible, to fix actual damages that would be suffered by DLBA as a result of a breach of this Agreement by Purchaser; and (ii) the aforesaid liquidated damages are a fair and reasonable amount to be retained by DLBA as agreed and liquidated damages in light of DLBA's removal of the Property from the market and the costs incurred by DLBA and will not constitute a penalty or a forfeiture.

(b) for one, several, or all of the Properties for which a Release of Interest has not been recorded (each, an "*Unreleased Property*") record the Reconveyance Deed at the Wayne County Register of Deeds Office, reconveying ownership of the Property back to DLBA;

(c) take immediate possession of the Unreleased Properties;

(d) enter and secure the Unreleased Properties;

(e) remove all occupants and personal belongings from within the Unreleased Properties;

(f) take immediate ownership of all improvements and fixtures intended to be permanently attached to the Unreleased Properties; and

(g) offer the Unreleased Properties for sale to other prospective purchasers, whether by auction or otherwise, or hold the Unreleased Properties.

Purchaser will indemnify and hold the DLBA Indemnified Parties free and harmless from and against any and all claims, damages, liabilities, losses, costs, and expenses (including reasonable attorneys' fees and court costs incurred in connection with the enforcement of the indemnity) related to, resulting from, or in any way arising out of DLBA exercising its remedial rights under the Reconveyance Deed and this Agreement.

18. **Brokerage.** If Purchaser has employed a broker or real estate agent in connection with the transactions contemplated by this Agreement, Purchaser agrees to indemnify, defend, and hold DLBA harmless from and against any claims for real estate broker's fees or any compensation sought by a broker or real estate agent employed by Purchaser in connection with the transactions contemplated by this Agreement unless otherwise agreed in writing.

19. **DLBA Authority.** DLBA has full power and authority to enter into this Agreement and to perform all its obligations hereunder, and has taken all action required by law, its governing instruments, or otherwise to authorize the execution, delivery, and performance of this Agreement and all the deeds, agreements, certificates, and other documents contemplated herein.

20. **Notice; Updates.** Except as otherwise expressly provided herein, all notices and communications hereunder must be in writing and will be deemed to have been given when either hand-delivered, sent by first class mail, sent by national overnight courier, or emailed.

Notice to Purchaser should be sent to the address above set forth, rcannon@messiahhousing.org, or another such other address or email as Purchaser designates in writing to DLBA.

Notice to DLBA will be provided to the following or another such other address or email as DLBA designates in writing to Purchaser:

Detroit Land Bank Authority
Attn: Taylor Rogers
500 Griswold Street, Suite 1200
Detroit, Michigan 48226
projects@detroitlandbank.org

21. **Integration; Modification.**

(a) This Agreement contains both DLBA's and Purchaser's entire intentions and understandings in regard to the sale of the Property. This Agreement supersedes any prior agreements, whether written or oral.

(b) DLBA and Purchaser may modify this Agreement only in a writing signed by both Parties. Any such modifications will become part of this Agreement by incorporation.

22. **Assignment; Notification upon Transfer of Property.** Until Purchaser has completed its obligations under this Agreement and DLBA has confirmed such completion, Purchaser may not assign, transfer, convey, or pledge its rights or obligations under this Agreement or with respect to the Property without the prior written consent of DLBA, which consent DLBA may withhold in its sole discretion.

23. **Miscellaneous.**

(a) **Severability.** If any one or more of this Agreement's provisions is/are held invalid or unenforceable in any respect, all other provisions will remain valid and enforceable as stated in this Agreement.

(b) **Captions.** The headings of the Sections and other subdivisions in this Agreement are for convenience only and will not be used to construe or interpret the scope or intent of this Agreement or in any way affect the same.

(c) **Governing Law; Jurisdiction; Venue.** This Agreement is governed by applicable Michigan law. Purchaser 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. Purchaser agrees that service of process at the address and in the manner specified above will be sufficient to put Purchaser on notice. Purchaser also agrees that it will not commence any action against DLBA 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 Wayne County, Michigan.

(d) **Affiliates.** If any Affiliate of Purchaser will take any action, which, if done by Purchaser would constitute a breach of this Agreement, the same will be deemed a breach by Purchaser.

(e) **Binding Effect.** This Agreement will be binding on the heirs, devisees, legal representatives, claimants, successors, and assignees of the Parties.

(f) **Counterparts.** This Agreement may be executed in counterparts, each of which will be deemed to be an original document but together will constitute one instrument. The Parties agree that either Party may execute and deliver executed counterparts by facsimile or electronically imaged signatures and said executed counterparts will be binding and enforceable as if an original.

(g) **Waiver.** No waiver by either Party of any of its rights or remedies hereunder or otherwise will be considered a waiver of any other subsequent right or remedy. Except as expressly provided herein, no waiver by either Party of any of its rights or remedies hereunder or otherwise will be effective unless such waiver is evidenced in a written instrument executed by the waiving Party.

(h) **Dates.** If any date herein set forth for the performance of any obligations of DLBA or Purchaser, or for the delivery of any instrument or notice as herein provided, should be on a Saturday, Sunday, or legal holiday, the compliance with such obligations (or such delivery, as the case may be) will be deemed acceptable on the next business day following such Saturday, Sunday, or legal holiday.

[Signatures begin on following page]

The Detroit Land Bank Authority and Church Of The Messiah Housing Corporation have caused this Purchase & Development Agreement to be executed as of the Effective Date.

DETROIT LAND BANK AUTHORITY

Dated: _____

Tammy Daniels
Chief Executive Officer

CHURCH OF THE MESSIAH HOUSING CORPORATION

Dated: _____

By: _____
Name: _____
Title: _____

Signature page I of I of the Purchase & Development Agreement between DLBA and Church Of The Messiah Housing Corporation for 2148, 2158, 2166, 2172, 2184, and 2194 Field, Detroit, Michigan 48214

APPENDIX!

Pursuant to and consistent with the terms of the Purchase & Development Agreement, Purchaser will timely complete all planned construction at the Property in accordance with the following terms and conditions (each, the "*Project*").

A. Within 30 days of Closing, Purchaser will provide photographs, receipts, or other evidence showing that Purchaser is maintaining the Property according to the following minimum requirements, provided that the weather does not otherwise prohibit such maintenance: (a) clearing the Property as needed of trash and debris and continuing to remove such trash and debris; (b) ensuring that the grass is neatly edged and does not exceed 8 inches; (c) trimming trees, shrubs, and other plant material as needed; and (d) clearing sidewalks and other paved portions of the property clear of snow and ice in a manner that makes it safe for pedestrians and within the timeframe currently required under City regulations.

Purchaser's maintenance obligations as to the Property will continue until DLBA records the Release of Interest after which point the premises of the Property will be maintained in a manner consistent with City regulations.

B. Within 90 days of Closing, Purchaser will provide documentation that a complete build plan for the Project has been submitted to the City of Detroit Buildings, Safety Engineering & Environmental Department ("*BSEED*").

C. Within 90 days after Closing, and at 90-day intervals until Project completion, Purchaser will provide updated, documented progress and status information to DLBA, including, but not limited to photographs, receipts, or other evidence that the Property is being maintained according to the terms set forth in Subsection A; invoices or photographs evidencing the materials purchased to advance other work performed on the Property; and proof of progress toward implementation of the Project, such as plans, permits, drawings, specifications, or related documents respecting any improvements or landscaping.

D. Within 180 days of Closing, Purchaser will provide documentation that construction on the Project has commenced.

E. Within 730 days of Closing, Purchaser will provide (1) a Certificate of Occupancy for a) Six (6) three-bedroom townhome units (1,350 sq ft each) on CMHC-owned parcels located on Baldwin St.; and b) Twenty (29) units in a low-rise multi-family building, including 4 studio units (469 sq ft), 20 one-bedroom (545-580 sq ft), and 5 two-bedroom units (1,054 sqft) on DLBA-owned Field Street parcels; and documentation that the structures have been constructed substantially in accordance with the Construction Plans attached to this Agreement as Exhibit E; and (2) documentation that the landscaping improvements identified in the Construction Plans have been implemented.

Purchaser will further provide DLBA with any additional reports upon request by DLBA, and will diligently respond to DLBA's requests for further information or documentation in follow-up to any report.

APPENDIX!

[Remainder of page intentionally left blank]

PURCHASE & DEVELOPMENT AGREEMENT- ExmBIT A

The Property

EFIELDLOT 5 LINDEN PARK SUB L16P5 PLATS, WCR 17/41 50 X 150 Parcel ID: 17013563. Commonly known as 2148 Field, Detroit, Michigan 48214
EFIELDLOT6LINDENPARK SUB L16P5 PLATS, WCR 17/41 50 X 150 Parcel ID: 17013564. Commonly known as 2158 Field, Detroit, Michigan 48214
EFIELDLOT7LINDENPARK SUB L16P5 PLATS, WCR 17/4150 X 150 Parcel ID: 17013565. Commonly known as 2166 Field, Detroit, Michigan 48214
EFIELDLOT 8 LINDEN PARK SUB L16P5 PLATS, WCR 17/41 50 X 150 Parcel ID: 17013566. Commonly known as 2172 Field, Detroit, Michigan 48214
E FIELDS 25FT OF LOT 9 LINDEN PARK SUB L16 P5 PLATS, W C R 17/41 25 X 150 Parcel ID: 17013567. Commonly known as 2184 Field, Detroit, Michigan 48214
EFIELDPTOFLOT9 AND LOT 10 LINDENPARK SUB CRL16 P5 PLATS, WC R 17/41; ALL DESC AS COMM AT S LN VERNOR AND E LN FIELD TH S 26D 56M 55S E 310.78 FT TO POB TH N 63D 05M 22S E 150A2 FT TH S 26D 58M 59S E 35.00 FT TH S 63D 05M 49S W 150.44 FT THN 26D 56M 55S W 34.98 FT TO POB 34.98 X 150.39A Parcel ID: 17013568.001 Commonly known as 2194 Field, Detroit, Michi ;an 48214

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PURCHASE & DEVELOPMENT AGREEMENT-ExmBIT B

Quit Claim Deed

(see attached)

EXHffiiTl

EFIELD LOT 5 LINDEN PARK SUBL16P5 PLATS, W CR 17/41 50 X 150 Parcel ID: 17013563. Commonly known as 2148 Field, Detroit, Michigan 48214
EFIELD LOT6LINDENPARK SUBL16P5 PLATS, W CR 17/41 50 X 150 Parcel ID: 17013564. Commonly known as 2158 Field, Detroit, Michigan 48214
EFIELD LOT7LINDENPARK SUBL16P5 PLATS, W CR 17/41 50 X 150 Parcel ID: 17013565. Commonly known as 2166 Field, Detroit, Michigan 48214
EFIELD LOT 8LINDENPARK SUBL16P5 PLATS, W CR 17/41 50 X 150 Parcel ID: 17013566. Commonly known as 2172 Field, Detroit, Michigan 48214
EFIELD S 25FT OFLOT9 LINDEN PARK SUB L16P5 PLATS, W CR 17/4125 X 150 Parcel ID: 17013567. Commonly known as 2184 Field, Detroit, Michigan 48214
EFIELD PTOFLOT 9 AND LOT IOLINDENPARK SUB CRL16 P5 PLATS, W C R 17/41; ALL DESC AS COMM AT S LN VERNOR AND E LN FIELD 1HS 26D 56M 55S E 310.78 FT TO POB 1HN 63D 05M 22S E 15Q.42 FT 1HS 26D 58M 59S E 35.00 FT 1HS 63D 05M 49S W 150.44 FT 1HN 26D 56M 55S W 34.98 FT TO POB 34.98 X 150.39A Parcel ID: 17013568.001 Commonly known as 2194 Field, Detroit, Michigan 48214

Exhibit 1 to Quit Claim Deed from Detroit Land Bank Authority to Church Of The Messiah Housing Corporation

PURCHASE & DEVELOPMENT AGREEMENT-ExmBIT C

Reconveyance Deed

(see attached)

EXHIBIT I

<p>EFIELDLOT 5 LINDEN PARK SUB L16P5 PLATS, WCR 17/4150 X 150 Parcel ID: 17013563. Commonly known as 2148 Field, Detroit, Michigan 48214</p>
<p>EFIELDLOT6LINDENPARK SUB L16P5 PLATS, WCR 17/4150 X 150 Parcel ID: 17013564. Commonly known as 2158 Field, Detroit, Michigan 48214</p>
<p>EFIELDLOT7LINDENPARK SUB L16P5 PLATS, WCR 17/41 50 X 150 Parcel ID: 17013565. Commonly known as 2166 Field, Detroit, Michigan 48214</p>
<p>EFIELDLOT 8 LINDEN PARK SUB L16P5 PLATS, WCR 17/4150 X 150 Parcel ID: 17013566. Commonly known as 2172 Field, Detroit, Michigan 48214</p>
<p>E FIELDS 25FT OF LOT 9 LINDEN PARK SUB L16 P5 PLATS, W C R 17/41 25 X 150 Parcel ID: 17013567. Commonly known as 2184 Field, Detroit, Michigan 48214</p>
<p>EFIELDPTOFLOT9 AND LOT 10LINDENPARK SUB CRL16 P5 PLATS, WC R 17/41; ALL DESC AS COMMAT S LNVERNORANDE LNFIELD TH S 26D 56M 55S E 310.78 FT TO POB TH N 63D 05M 22S E 150A2 FT TH S 26D 58M 59S E 35.00 FT TH S 63D 05M 49S W 150.44 FT THN 26D 56M 55S W 34.98 FT TO POB 34.98 X 150.39A Parcel ID: 17013568.001 Commonly known as 2194 Field Detroit Michigan 48214</p>

Exhibit 1 to Quit Claim Deed from Church Of The Messiah Housing Cmporation to Detroit Land Bank Authority

PURCHASE & DEVELOPMENT AGREEMENT- ExmBIT D

Release of Interest

(see attached)

EXHIBIT I

<p>EFIELDLOT 5 LINDEN PARK SUB L16P5 PLATS, WCR 17/4150 X 150 Parcel ID: 17013563. Commonly known as 2148 Field, Detroit, Michigan 48214</p>
<p>EFIELDLOT6LINDENPARK SUB L16P5 PLATS, WCR 17/4150 X 150 Parcel ID: 17013564. Commonly known as 2158 Field, Detroit, Michigan 48214</p>
<p>EFIELDLOT7LINDENPARK SUB L16P5 PLATS, WCR 17/41 50 X 150 Parcel ID: 17013565. Commonly known as 2166 Field, Detroit, Michigan 48214</p>
<p>EFIELDLOT 8 LINDEN PARK SUB L16P5 PLATS, WCR 17/4150 X 150 Parcel ID: 17013566. Commonly known as 2172 Field, Detroit, Michigan 48214</p>
<p>E FIELDS 25FT OF LOT 9 LINDEN PARK SUB L16 P5 PLATS, W C R 17/41 25 X 150 Parcel ID: 17013567. Commonly known as 2184 Field, Detroit, Michigan 48214</p>
<p>EFIELDPTOFLOT9 AND LOT 10LINDENPARK SUB CRL16 P5 PLATS, WC R 17/41; ALL DESC AS COMMAT S LNVERNORANDE LNFIELD TH S 26D 56M 55S E 310.78 FT TO POB TH N 63D 05M 22S E 150A2 FT TH S 26D 58M 59S E 35.00 FT TH S 63D 05M 49S W 150.44 FT THN 26D 56M 55S W 34.98 FT TO POB 34.98 X 150.39A Parcel ID: 17013568.001 Commonly known as 2194 Field Detroit Michigan 48214</p>

Exhibit I to Release of Interest from Detroit Land Bank Authority to Church Of The Messiah Housing Corporation

PURCHASE & DEVELOPMENT AGREEMENT-ExmBIT E

Construction Plans

(To be incorporated following requisite approvals)