

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

In the Matter of:

MDEQ Reference No. AOC-RRD-08-002

Mr. Joseph Brainerd and Mrs. Amy Brainerd
For the Alamo General Store Property
Facility ID No. 50001696

ADMINISTRATIVE AGREEMENT BY CONSENT
FOR RELEASE OF LIEN

A. This Administrative Agreement by Consent for Release of Lien (Agreement) is entered into voluntarily by and between the Michigan Department of Environmental Quality (MDEQ) and Mr. Joseph Brainerd and Mrs. Amy Brainerd (Brainerds). Collectively, the MDEQ and the Brainerds are the "Parties". This Agreement concerns the release of a certain lien recorded on the Alamo General Store property (Property) located at 8011 West D Avenue, Alamo Township, Kalamazoo County, Michigan. The lien was recorded on the Property under the provisions of Section 20138(1) of Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), on March 20, 2003. The Property is legally described in the MDEQ lien, which is included as Attachment 1 (MDEQ Lien Placement).

B. This Agreement shall apply to and be binding upon the Brainerds and the MDEQ and their successors and assigns. No change in legal status shall in any way alter the Parties' respective responsibilities under this Agreement. The signatories to this Agreement certify that they are authorized to execute and legally bind the Parties they represent.

The MDEQ and the Brainerds hereby agree to the following:

1. The Brainerds will make payments to the MDEQ according to the attached Amortization Schedule (Attachment 2). Payments to the MDEQ will be based on a payment schedule of \$800 per month (although payments to the MDEQ will be made semi-annually) at 6% interest compounded annually with a balloon payment due at the end of seven (7) years.

Except as provided by Paragraph 3, the balloon payment will be in the amount of \$53,655.00 and the total amount paid to the MDEQ will be \$120,855.00.

2. The Brainerds shall make payments to the MDEQ once every six (6) months in the amount of Four Thousand Eight Hundred Dollars (\$4,800.00) with the first payment due on December 1, 2008. The second payment shall be due on June 1, 2009, and payments shall be due every year on June 1 and December 1 until a total of fourteen (14) payments totaling \$67,200.00 have been made. On or before June 1, 2015, the Brainerds shall make a final scheduled payment of \$4,800.00 and a balloon payment in the amount of \$53,655.00, except as provided by Paragraph 3.

3. The Brainerds may pay-off the total remaining balance at any time prior to the seven year balloon payment according to the Amortization Schedule (Attachment 2). The Brainerds may pay additional principal at any time without penalty. Any prepayment of principal will be considered to be received on the date of the next due scheduled payment for purposes of calculating the remaining balance owed and will be identified as "supplemental payment of only principal." Notwithstanding any prepayments, the payment schedule will still require semi-annual installments of \$4,800.00 each until the entire balance is paid. In the event the Brainerds make any such prepayment(s) of principal, their final payment shall be accompanied by their recalculation of the final balance due subject to MDEQ's review and concurrence at that time.

4. Payments more than forty-five days late shall be subject to a stipulated penalty of \$20.00 plus the 6% interest owed on the late payment.

5. Payment is to be made by certified check payable to the "State of Michigan - Environmental Response Fund" and sent to:

Revenue Control Unit
Financial and Business Services Division
Michigan Department of Environmental Quality
P.O. Box 30657
Lansing, MI 48909-8157

Via Courier:
Revenue Control Unit
Financial and Business Services Division
Michigan Department of Environmental Quality
Constitution Hall, 5th Floor, South Tower
525 West Allegan Street
Lansing, MI 48933-2125

The certified check shall reference the Alamo General Store Facility, and the Remediation and Redevelopment Division (RRD) Account No. RRD2232. In addition, copies of the transmittal letter and the certified check should also be sent to:

Ms. Jacqueline Barnett
Compliance and Enforcement Section
Remediation and Redevelopment Division
Michigan Department of Environmental Quality
P.O. Box 30426
Lansing, MI 48909-7926

6. No later than seven (7) days from the date the Brainerds take title to the Property, the Brainerds shall sign the original Grant of Easement (Easement) provided in Attachment 3 and return it to Ms. Jacqueline Barnett, MDEQ, at the address provided for her in Paragraph 5. The MDEQ shall send the Easement to the Kalamazoo County Register of Deeds for recording and provide the Brainerds with a copy of the recorded Easement within two weeks of the date it is returned to the MDEQ by the Kalamazoo County Register of Deeds.

7. No later than two weeks from the date the MDEQ receives the final balloon payment described in Paragraph 2 (conditioned upon receipt of the easement provided in Attachment 3 and a letter referencing that the Brainerds have completed their payment obligations pursuant to this Agreement), the MDEQ shall submit a Lien Release to the Kalamazoo County Register of Deeds for recording in order to release the MDEQ Lien. The MDEQ shall provide the Brainerds with a copy of the Lien Release and any transmittal letter by mailing such documents to the following address:

Mr. and Mrs. Joseph Brainerd
411 Cedar Street
Paw Paw, Michigan 49079-1112

8. The MDEQ reserves its rights to enforce the provisions of Part 201 of the NREPA if the Brainerds fail to comply with the provisions of Part 201 of the NREPA.

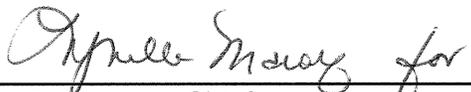
9. Costs reimbursed pursuant to this Agreement shall be deposited in the Environmental Response Fund in accordance with the provisions of Section 20108(3) of the NREPA.

10. This Agreement shall become effective upon the date the last signatory signs this Agreement. For the purposes of this Agreement, the term "day" shall mean a calendar day unless otherwise noted.

MDEQ Reference No. AOC-RRD-08-002
Mr. Joseph Brainerd and Mrs. Amy Brainerd
For the Alamo General Store Property

IT IS SO AGREED TO BY:

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY



Andrew W. Hogarth, Chief
Remediation and Redevelopment Division



Date

MDEQ Reference No. AOC-RRD-08-002
Mr. Joseph Brainerd and Mrs. Amy Brainerd
For the Alamo General Store Property

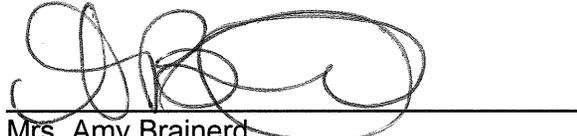
IT IS SO AGREED TO BY:



Mr. Joseph Brainerd

6.3.08

Date



Mrs. Amy Brainerd

6.3.08

Date

Attachment 1

MDEQ Lien Placement
Recorded March 20, 2003



LIEN PERFECTION

First Party: STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
P.O. BOX 30426
LANSING, MI 48909-7926

Second Parties: MR. RICHARD PATHIC, JR.
P.O. BOX 348
REMUS, MICHIGAN, 49340

Facility No.: 50001696
District: Kalamazoo
First Expenditure Date: September 27, 1999

NOTICE OF CLAIM OF INTEREST IN REAL PROPERTY

Notice is hereby given that the state of Michigan claims an interest by reason of assessment(s) listed below, issued by the Department of Environmental Quality, under Section 20138 of Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, MCL 324.20101 et seq., against the following property:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 21, TOWN 1 SOUTH, RANGE 12 WEST; THENCE SOUTH 12 RODS; THENCE WEST 9 RODS; THENCE NORTH 12 RODS; THENCE EAST 9 RODS TO THE PLACE OF BEGINNING.

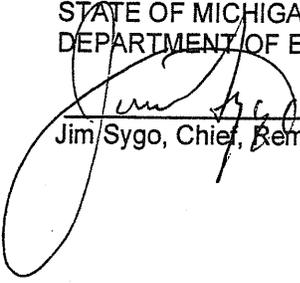
Document Date	Assessment Number	Amount
September 20, 2002	03-03-50001696-01	\$88,180.73

Therefore, pursuant to Section 20138 of Part 201, the above-listed amount, which is an estimate of the state's costs, is a lawful claim against the real property, in favor of the state of Michigan, Department of Environmental Quality, upon the above-described property situated in Kalamazoo County, state of Michigan. The amount of reimbursement may be more than the estimate and will be based upon actual costs, including any and all interest as authorized to be recovered under state and federal law, calculated at the time of reimbursement.

RECEIVED
APR 15 2003
MDEQ-RRD

The undersigned representative of the Michigan Department of Environmental Quality certifies that he or she is empowered to acknowledge this lien.

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY



Jim Sygo, Chief, Remediation and Redevelopment Division

STATE OF MICHIGAN)
)S
COUNTY OF INGHAM)

The foregoing instrument was acknowledged before me this 1st day of November, 2002, by Jim Sygo, Chief, Remediation and Redevelopment Division.

Sandra J. Tompkins

SANDRA J. TOMPKINS
Notary Public, Eaton Co., MI
Acting in Ingham Co., MI
My Comm. Expires Dec. 13, 2002

Prepared by:
Debra S. Clark
Remediation and Redevelopment Division
Department of Environmental Quality
7953 Adobe Road
Kalamazoo, MI 49009-5026
616-567-3514

 2003-019093
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STATE OF MICHIGAN LIEN-Kalamazoo ROD

Attachment 2

Amortization Schedule

**Attachment 2
Payment Schedule**

Date	Amount
December 1, 2008	\$4,800.00
June 1, 2009	\$4,800.00
December 1, 2009	\$4,800.00
June 1, 2010	\$4,800.00
December 1, 2010	\$4,800.00
June 1, 2011	\$4,800.00
December 1, 2011	\$4,800.00
June 1, 2012	\$4,800.00
December 1, 2012	\$4,800.00
June 1, 2013	\$4,800.00
December 1, 2013	\$4,800.00
June 1, 2014	\$4,800.00
December 1, 2014	\$4,800.00
June 1, 2015	\$4,800.00
Balloon Due June 1, 2015	<u>\$53,655.00</u>
TOTAL	\$120,855.00

In the event of prepayments, the Brainerds will provide a recalculation of the balance due to accompany the final payment made.

Attachment 3

Grant of Easement
(to be provided at closing)