

PURCHASE AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of September, 2013 by and between MAGIC PLUS, LLC, a Michigan limited liability company, whose address is 1223 Turner Street, Suite 300, Lansing, Michigan 48912 ("Purchaser"), and STATE OF MICHIGAN LAND BANK FAST TRACK AUTHORITY, a public body corporate, whose address is 300 N. Washington Square, Lansing, Michigan 48913 ("Seller").

RECITALS:

A. In consideration of the Purchase Price and other covenants set forth in this Agreement, Purchaser desires to purchase from Seller and Seller desires to sell and convey to Purchaser a 157.47 acre tract of land situated in the City of Detroit, Wayne County, Michigan, more particularly described in Exhibit A annexed hereto, together with any and all rights, privileges, easements, strips, gores, overlaps and other appurtenances thereto and all improvements, structures and fixtures situated thereon (collectively, the "Property"), together with all personal property of every kind, description and nature whatsoever owned by Seller and located on or in the Property on the date that possession of the Property is delivered to Purchaser (the "Personal Property").

B. Seller and Purchaser desire to establish the terms, covenants and conditions upon which Seller will sell and Purchaser will purchase the Property.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement and of the benefits to be derived herefrom, receipt of which is severally acknowledged, Seller and Purchaser hereby agree as follows:

1. Offer and Acceptance. Purchaser offers and agrees to purchase the Property for the Purchase Price and upon the other terms and conditions set forth in this Agreement (the "Transaction"). Seller hereby accepts the offer of Purchaser. Such offer and acceptance are subject to and in accordance with the terms and conditions set forth below.

2. Purchase Price.

(a) As provided in paragraph 8, the documents by which the Property is to be conveyed (the "Conveyancing Documents") shall be escrowed with Title Source, Inc. (the "Title Company"). If the Conveyancing Documents are released from escrow and delivered to Purchaser (the "Closing") on or before January 15, 2015, the price to be paid for the Property (the "Purchase Price") shall be \$4,650,000, payable in immediately available funds on the day the Closing occurs (the "Closing Date") or, at Purchaser's election, by making all of the following payments (the "Purchase Payments"), without exception, until their aggregate present value as of December 1, 2013 (the "Valuation Date") is equal to the Purchase Price, determined by discounting annually each of the Purchase Payments to present value as of the Valuation Date, using the Discount Rate and methodology specified in Exhibit B annexed hereto:

- (i) 1% of the Gross Lease Revenues (as defined in Exhibit B) realized in each calendar quarter, calculated on a cash (not an accrual) basis, to be paid within 15 days after the end of the quarter;
- (ii) 50% of the Net Cash Flow from operations (excluding proceeds of sale or refinancing of any portion of the Property and as further defined in Exhibit B) realized in each calendar year, after deduction of an 8% Preferred Return (as defined in Exhibit B), to be calculated in accordance with the methodology illustrated in the spreadsheet annexed hereto as Exhibit C and to be paid within forty-five (45) days after the end of the year;
- (iii) 1% of the Net Proceeds (as defined in Exhibit B) of sale of any portion of the Property not constituting an Acceleration Event (as defined in Exhibit B), to be paid within fifteen (15) days after the closing of the transaction; and
- (iv) Such portion of the Net Proceeds of sale or refinancing of all or any portion of the Property constituting an Acceleration Event as is required to complete payment of the Purchase Price, to be paid within fifteen (15) days after the closing of the transaction.

(b) Purchaser agrees that until the Purchase Price has been paid in full to Seller, distributions by Purchaser to its members shall be made only if there is available cash and shall be limited in the case of each member to such member's Assumed Tax Liability. As used in this paragraph 2(b), Assumed Tax Liability means the amount of a given member's expected aggregate federal, state and local tax liability attributable to items of income, gain, loss and deduction allocated to such member for income tax purposes (excluding allocations under Section 704(c) principles), assuming that such member is an (individual/corporation) subject to tax at the highest marginal rate of income tax applicable to a resident in Michigan, taking into account the character of the relevant income or loss to such member and the deductibility, if any, of any state or local tax in computing any state or federal tax liability.

(c) In the event the Closing occurs after January 15, 2015, the Purchase Price paid at Closing (or the present value of the Purchase Payments as of the Valuation Date, as provided in paragraph 2(a) above) shall be increased by an amount equal to 40% of the Detroit Sewerage charges incurred and 100% of all other costs incurred by Seller with respect to ownership and operation of the Property between January 15, 2015 and the Closing Date (the "Price Increment"), in order to compensate Seller for the its carrying cost of the Property during the period of delay. In the event the Closing occurs after June 30, 2015, Purchaser shall pay 50% of the Price Increment to Seller in immediately available funds at the Closing, with the remainder of the Purchase Price (\$4,650,000 plus 50% of the Price Increment) being payable as provided in subparagraph (a) above.

(d) Purchaser may terminate this Agreement on January 15, 2015 or at any time thereafter by written notice to Seller in which event the parties shall have no further obligations to each other, except for any indemnification obligation arising under paragraph 7(a)

and except that Purchaser shall pay to Seller a termination fee equal to the Price Increment that would be payable if the Closing were to occur on the date Purchaser's notice of termination is given (net of the amount paid, if any, pursuant to subparagraph 2(b) above), which payment must accompany the notice as a condition of its effectiveness. If this Agreement has not previously been terminated, on December 31, 2015, it shall automatically terminate, in which event the parties shall have no further obligation to each other except for any indemnification obligation arising under paragraph 7(a) and except that Purchaser shall pay to Seller a termination fee in the amount of the Price Increment that would be payable if the Closing were to occur on December 31, 2015.

3. Evidence of Title; Survey.

(a) On July 29, 2013, Seller furnished to Purchaser the Title Company's commitment No. 56390901, Revision No 13 dated July 18, 2013 (the "Title Commitment"), for the issuance of an ALTA Owner's Policy (6-17-06), without standard exceptions, of title insurance with respect to the Property (the "Title Policy") by First American Title Insurance Company. Purchaser has examined the Title Commitment, the documents to which reference is made therein and the ALTA/ACSM Land Survey prepared by Enger Surveying & Engineering (the "Surveyor") bearing Job No. 82-002 and dated December 12, 2000 (the "Survey"), which Seller has made available for download on its website.

(b) Promptly following the execution of this Agreement, Seller shall cause the Title Company to update the Title Commitment and to deliver copies thereof to Seller and to Purchaser. Seller shall, at its expense, engage the Surveyor or another licensed surveyor of its choice to update the Survey or to prepare a new survey of the Property, as the case may be, to show all plottable matters identified on Schedule B-II to the updated Title Commitment and otherwise satisfying the Title Company's detail requirements for issuance of the Title Policy without the standard exception for matters that would be disclosed by an accurate survey of the Property (the "New Survey"). The New Survey shall be delivered and certified to Seller, to Purchaser and to the Title Company within forty-five (45) days after receipt of the updated Title Commitment.

(c) Within seventy-five (75) days after delivery of the updated Title Commitment, Purchaser shall notify Seller of any objection to Seller's title to the Property, including any matters disclosed by the New Survey. All matters of title or survey disclosed by the updated Title Commitment and/or by the New Survey to which objection is not made in such notice shall be deemed "Permitted Exceptions" and the Conveyancing Documents and the Title Policy may be subject to or take exception them. Seller shall have fifteen (15) days from the date it is notified in writing of the particular defects claimed either (i) to obtain an amendment to or deletion from the Title Commitment or New Survey, as the case may be, of the defect or defects to which objection is timely made or (ii) to obtain specific title insurance against any loss or damage to Purchaser which may arise from the defect or defects to which objection is timely made. In the event Seller is unable or unwilling to do so, (i) Purchaser may elect to waive such defect and include it in the Permitted Exceptions, or (ii) either Seller or Purchaser may terminate this Agreement by written notice to the other party, in which event the parties shall have no further obligations to each other hereunder, except for any indemnification obligation arising under paragraph 7(a).

4. Possession. Possession of the Property shall be delivered to Purchaser on the Closing Date free and clear of all tenancies, occupancies and rights of possession, except for the rights of The Fieldhouse LLC (“Tenant”), its successors, assigns and subtenants, if any, under and pursuant to the Lease, dated February 1, 2004, between the State of Michigan, Michigan Exposition and Fairgrounds Authority and Tenant (the “Lease”), with respect to the leased premises (the “Leased Premises”) and appurtenant easement areas described in Exhibit D annexed hereto.

5. Representations of Seller. Seller represents to Purchaser, as of the date of this Agreement, as follows:

(a) Seller is a public body corporate created by Section 15 of the Land Bank Fast Track Act, MCL 124.765, and has all the necessary corporate power to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby without the joinder or consent of any other person or entity, except for approval as to form by the State of Michigan (the “State”) Department of Attorney General (the “AG”) of the deed to be delivered by Seller to consummate the Transaction. The Seller has taken all requisite action necessary to authorize the execution, delivery and performance by Seller of this Agreement.

(b) This Agreement constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms. Seller’s execution and delivery of this Agreement and performance of the obligations hereunder will not violate any agreement to which Seller is a party or by which Seller or its property is bound.

(c) To Seller’s knowledge, it has not received notice of any violation of (i) any applicable laws, ordinance, regulations or orders of any kind or nature relating to the Property or the ownership or occupation thereof by Seller (including, but not limited to, zoning and building codes) or (ii) any covenants, conditions, restrictions, easements, reservations or agreements affecting or relating to the ownership, use or occupancy of the Property.

(d) There is no pending or, to Seller’s knowledge, threatened or contemplated condemnation or similar proceedings affecting or relating to all or a portion of the Property or to any current ingress to or egress from the Property.

(e) Seller has not received notice of, nor does Seller have any knowledge of, any proposed or actual assessments against all or any portion of the Property.

(f) The environmental reports identified in Exhibit E annexed hereto (the “Environmental Reports”), copies of which have been provided to Purchaser, describe the general nature and extent of known environmental impacts on or in the Property and indicate that the Property is a “facility” as defined in Section 20101(s) of the Natural Resources and Environmental Protection Act (the “NREPA”), MCL 324.20101(s). Except as set forth in the Environmental Reports, Seller has no knowledge of (i) the presence of any Regulated Material on or in the Property or (ii) the Release of any Regulated Material on, in or from the Property in material violation of any Environmental Law. As used in this Agreement:

“Environmental Law” means any law, regulation, rule, guidance document, ordinance, or order pertaining to the protection of the environment and the health and safety of workers or the public, including but not limited to the NREPA, the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended; Resource Conservation and Recovery Act of 1980; Emergency Planning and Community Right to Know Act; Toxic Substances Control Act; Clean Air Act; Clean Water Act; or any amendments or extensions of the foregoing or the regulations promulgated thereunder.

“Regulated Material” means any substance: (i) that is regulated under any Environmental Law; (ii) that is or becomes defined as a hazardous material, solid waste, hazardous waste, hazardous substance, toxic waste, toxic substance, pollutant, or contaminant under any Environmental Law; (iii) the presence of which on the Property causes or threatens to cause a nuisance upon the Property, or to the adjacent properties, or poses or threatens to pose a hazard to the health or safety of persons on or about the Property; (iv) that contains petroleum, including crude oil; or (v) that contains polychlorinated biphenyls, asbestos or urea formaldehyde.

“Release” means any spill, discharge, leach, leak, emission, escape, injection, dumping or other release or threatened release of any materials, wastes or substances into the environment, whether or not notification or reporting to any governmental agency was or is required.

(g) To Seller’s knowledge, (i) no person has a lien or a right to a lien against the Property for work and materials furnished to the Property and (ii) there are no mortgages, judgment liens, pending suits, security interests, tax liens or other encumbrances of any nature affecting the Property, except, with respect to Tenant’s leasehold interest, as set forth in the Title Commitment.

(h) To Seller’s knowledge, there are no pending or threatened litigation, administrative proceedings or arbitration proceedings against or affecting all or any portion of the Property. The Michigan Department of Technology, Management and Budget (“DTMB”) has received a bill from the City of Detroit for water service provided to the Property, which DTMB has rejected because it appears to be based on faulty meter readings and is significantly overstated. There have been some settlement discussions but the matter remains unresolved.

(i) To Seller’s knowledge, there are no material encroachments of buildings, structures or improvements, located on the Property onto adjoining property, nor any material encroachments of buildings, structures or improvements located on adjoining property onto the Property.

(j) Except as set forth in this Agreement, there are no outstanding options to purchase, rights of first refusal to purchase or agreements for the sale and purchase of all or any portion of the Property to any person or entity.

(k) To Seller's knowledge, there is no pending petition to change the zoning or land use designation of the Property or any adjoining property, no pending or threatened proceedings or legislation affecting or relating to the widening, change of grade or limitation on use of streets providing access to the Property, and no proposed or actual assessments against the Property relating to utilities, sewers, roadways, other improvements or other matters.

As used herein, "Seller's knowledge" means the conscious awareness of facts or other information, without any investigation or inquiry of any kind, of any director or staff member of Seller who has actively participated in the process of preparing the RFP, reviewing the Business Plan and negotiating this Agreement.

The foregoing representations shall be continuing and shall be true and correct as of the date the Conveyancing Documents are delivered into escrow pursuant to paragraph 8 and as of the Closing Date, and all such representations shall survive the Closing for a period of one (1) year (the "Survival Period").

6. Representations of Purchaser. Purchaser represents to Seller, as of the date of this Agreement, as follows:

(a) Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Michigan and has all the necessary company power to enter into this Agreement and to consummate the transactions contemplated hereby without the joinder or consent of any other person or entity. Purchaser has taken all requisite action necessary to authorize the execution, delivery and performance by Purchaser of this Agreement.

(b) This Agreement constitutes the legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms. Purchaser's execution and delivery of this Agreement and performance of its obligations hereunder will not violate any agreement to which it is a party or by which it is bound.

(c) There is no litigation pending, or to Purchaser's knowledge threatened, to prevent Purchaser from entering into this Agreement and purchasing the Property.

(d) Purchaser's members have financial assets sufficient to fund the capital contributions required to satisfy the Equity Requirement specified in the Executive Summary of its Amended Business Plan dated November 18, 2012 (the "Business Plan") submitted to Seller in response to its Request for Proposals dated June 28, 2012 (the "RFP").

The foregoing representations shall be continuing and shall be true and correct as of the date the Conveyancing Documents are delivered into escrow pursuant to paragraph 8 and as of the Closing Date, and all such representations shall survive the Closing for the Survival Period.

7. Inspection and Investigation by Purchaser.

(a) Purchaser and/or its agents, at Purchaser's sole cost and expense, shall have ninety (90) days from the date of this Agreement (the "Inspection Period") to engage a qualified environmental consultant to conduct a Phase 1 Environmental Site Assessment

(“ESA”) of the Property (as well as incremental sampling and a Phase 2 ESA at Purchaser’s discretion), to be prepared according to ASTM Standard E1527-05, and to make such other additional determinations as Purchaser may deem desirable and to engage a qualified geotechnical consultant to determine whether soil conditions on the Property are suitable to support the improvements contemplated by Purchaser. To that end, upon providing Seller with such proof of insurance as Seller shall reasonably require, including pollution liability coverage provided by its environmental consultant, and subject to the further condition that suitable arrangements will have to be made with Tenant for access to the two buildings that are subject to the Lease, Purchaser and its agents and consultants shall be authorized to enter upon the Property for the purpose of making the determinations called for in this paragraph 7(a) (“Purchaser’s Inspections”). Purchaser shall restore any damage to the Property occasioned by Purchaser’s Inspections, and shall indemnify, defend and hold Seller harmless against any loss or liability arising from Purchaser’s Inspections. Such indemnity shall survive termination of this Agreement or the Closing, as the case may be, for a period of one (1) year. In the event Purchaser’s environmental consultant has completed Phase I and Phase II ESAs within the Inspection Period, but additional soil, groundwater and/or material sampling and testing is undertaken as recommended in the Phase 2 ESA, the Inspection Period may be extended as necessary for such additional Phase II work to be completed, such extension not to exceed sixty (60) days. Such extension shall have no effect on the Valuation Date, which is fixed.

(b) Seller hereby consents, and agrees to arrange for Material Testing Consultants, Inc. to consent, to reliance by Purchaser and its consultants on the Environmental Reports in connection with Purchaser’s Inspection. During the Inspection Period, Purchaser shall have the opportunity (during Seller’s normal business hours) to examine Seller’s files regarding the Property for any existing drawings, soil reports, engineering studies, title reports, or other relevant records. Purchaser may, at Purchaser’s expense, make copies of such documents, provided that in the event the Closing does not occur, Purchaser will promptly return to Seller any and all copies made of such documents.

(c) If Purchaser is not satisfied with the condition of the Property, Purchaser may terminate this Agreement by written notice to Seller at any time prior to the expiration of the Inspection Period, in which case the parties shall have no further obligations or liabilities hereunder other than those which expressly survive the termination of this Agreement.

8. Escrow of Conveyancing Documents. Seller, Purchaser and the Title Company, as Escrow Agent, shall enter into an agreement (the “Escrow Agreement”) regarding disposition of the documents and/or funds entrusted to the Escrow Agent’s care. The following Conveyancing Documents shall be delivered into escrow with the Escrow Agreement:

(a) A quit claim deed specifying that it is exempt from transfer tax pursuant to MCL 207.505(h) and MCL 207.526(h) and otherwise compliant with the following requirements of Public Act. No. 74 of the Public Acts of 2012 (the “Deed”):

(i) It shall be approved as to form by the AG;

- (ii) It shall prohibit use of the Property for a horse racing track, auto racing track, casino, railroad freight yard, jail or prison and shall provide for a right of re-entry in the event that the use restriction is violated, such right to be exercised, after notice and opportunity to cure, by means of a quiet title action brought on behalf of the State by the AG;
 - (iii) It shall provide that the State shall be paid fifty percent (50%) of the gross revenues generated from the development, if any, of oil, gas or mineral interest in or under the Property; and
 - (iv) It shall reserve to the State all aboriginal antiquities, including mounds, earthworks, forts, burial and village sites, mines, or other relics lying on, within, or under the Property, with power to the State and all others acting under its authority to enter the Property for any purpose related to exploring, excavating and taking away the aboriginal antiquities.
- (b) A blanket bill of sale of the Personal Property without representation or warranty.
- (c) An Assignment of Seller's interest and rights in, to and under the Lease and any insurance policies providing coverage of the buildings and improvements on the Leased Premises against loss or damage.
- (d) An Owner's Affidavit executed by Seller without warranty or indemnity, but otherwise in the form required by the Title Company in order to remove standard exceptions from the Title Policy.
- (e) A Certificate of Seller to the effect that all of Seller's representations contained in paragraph 5 are true and correct as of the date of the Escrow Agreement, or stating the extent, if any, that any of such representations are not then true and correct.
- (f) A Certificate of Purchaser to the effect that all of Purchaser's representations contained in paragraph 6 are true and correct as of the date of the Escrow Agreement, or stating the extent, if any, that any of such representations are not then true and correct.
- (g) Certified resolutions of the Board of Directors of Seller and of the members of Purchaser authorizing the execution, delivery and performance of this Agreement and consummation of the Transaction, together with copies of such organizational documents as shall be required by the Title Company in order to issue the Title Policy upon release of the Conveyancing Documents from escrow.
- (h) A development agreement (the "Development Agreement") executed by Seller and Purchaser, setting forth the performance requirements and penalty provisions that will govern Purchaser's phased development of the Property, including a time line for actions that are required to be taken by Purchaser before and after the Closing.

If the executed Escrow Agreement and the Conveyancing Documents are not delivered in escrow to the Title Company by December 1, 2013 or, if later, within five (5) days after expiration of the Inspection Period, as extended pursuant to paragraph 7(a), either party may terminate this Agreement by written notice to the other party, in which event all obligations hereunder shall be

released and held for naught except for any indemnification obligation arising under paragraph 7(a). If the Conveyancing Documents are delivered into escrow and this Agreement is subsequently terminated, the Conveyancing Documents shall be released to Seller and Seller shall be free to sell the Property to any other Purchaser.

9. Seller's Closing Conditions. The obligation of Seller to proceed to consummate the Transaction shall be conditioned upon satisfaction of each of the following conditions precedent on or prior to the Closing Date:

(a) Seller and Purchaser shall have entered into the Final Development Agreement.

(b) Purchaser shall have provided Seller with site plans, construction drawings, construction and/or construction management agreements, loan agreements, subscription agreements or capital contributions and financial statements showing that Purchaser is ready, willing and able to commence and complete the phased development of the Property substantially in accordance with the Business Plan.

(c) Purchaser shall have provided to Seller its written certification that all of Purchaser's representations contained in paragraph 6 are true and correct as of the Closing Date, or stating the extent, if any, that any of such representations are not then true and correct.

(d) No Event of Default (as defined in the Development Agreement) and no event that with the giving of notice or the passage of time (or both) may become an Event of Default shall have occurred and remains uncured.

10. Purchaser's Closing Conditions. The obligation of Purchaser to proceed to consummate the Transaction shall be conditioned upon satisfaction of each of the following conditions precedent on or prior to the Closing:

(a) Seller shall have authorized the Title Company to insert the Closing Date as the effective date in the Deed and bill of sale held by the Title Company in escrow.

(b) The Title Company shall stand ready to issue the Title Policy without standard exceptions and subject only to the Permitted Exceptions or such other matters as shall be acceptable to Purchaser.

(c) Seller shall have provided to Purchaser its written certification that all of Seller's representations contained in paragraph 5 are true and correct as of the Closing Date, or stating the extent, if any, that any of such representations are not then true and correct.

(d) The Detroit Brownfield Redevelopment Authority shall have approved Tax Increment Financing reimbursement of Purchaser's qualified remediation and infrastructure costs.

(e) Purchaser shall have obtained construction financing sufficient to carry out its obligations under the Development Agreement.

11. Obligations of Seller Prior to Closing. During the period between the date of this Agreement and the Closing Date, Seller shall:

(a) Maintain the portions of the Property not leased to Tenant in substantially the same condition as on the date of this Agreement, wear and tear, insured casualties and damage by the elements excepted.

(b) Pay all costs and expenses and discharge all liabilities, obligations and claims arising out of its ownership of the Property.

(c) Not enter into any agreement affecting use or occupancy of all or a material portion of the Property without Purchaser's prior written consent, which will not be unreasonably withheld, conditioned or delayed, so long as it may be terminated prior to the Closing.

(d) Not create, grant or accept any option to purchase, right of first refusal, installment sale agreement or other agreement for the sale of all or any portion of the Property without Purchaser's prior written consent.

(e) Not create or suffer any right, claim, lien or encumbrance of any kind other than the Permitted Exceptions on any portion of the Property other than the Tenant's interest in the Leased Premises.

(f) Furnish to Purchaser within ten (10) days after receipt by Seller any and all notices of proposed assessments and notices of any proposed action under or violation of any law, statute, ordinance, rule or regulation affecting the Property.

(g) Pay when due all utility bills, insurance premiums and other charges applicable to all or any portion of the Property not leased to Tenant.

12. Loss by Fire, Other Casualty or Condemnation.

(a) In the event that prior to the Closing any portion of the Property not leased to Tenant suffers material damage, or the Leased Premises suffers material damage that is not covered by property insurance, Purchaser shall have the right, exercisable by giving notice to Seller within fifteen (15) days after receiving written notice of such damage or destruction, either (i) to terminate this Agreement, or (ii) to accept the Property in its then condition and to proceed with the Closing. At the Closing, Seller will assign to Purchaser whatever rights it has in property insurance claims in respect of damage to the Leased Premises.

(b) In the event that prior to Closing there is any non-material damage to any portion of the Property not leased to Tenant, Seller shall repair such damage prior to the Closing. For purposes of completing any repairs under this paragraph 12(b), Seller may by notice to Purchaser defer the Closing for a reasonable time to allow such repairs to be made by Seller; provided, however, that in such event Purchaser may elect by notice to Seller to close and accept the Property in its then condition.

(c) In the event that prior to the Closing all or any material portion of the Property is subject to a taking by public authority, Purchaser shall have the right, exercisable by giving notice to Seller within fifteen (15) days after receiving notice of such taking, either (i) to terminate this Agreement, or (ii) to accept the Property in its then condition, without a reduction in the Purchase Price, and to receive an assignment of all of Seller's rights to any condemnation award payable by reason of such taking, including without limitation any payments in respect

thereof theretofore or thereafter received by Seller. If Purchaser elects to proceed under clause (ii) above, Seller shall not compromise, settle or adjust any claims to such award without Purchaser's prior written consent.

(d) In the event that prior to the Closing any non-material portion of the Property is subject to a taking, Purchaser shall accept the Property in its then condition and proceed with the Closing and shall be entitled to an assignment of all of Seller's rights to any award in connection with such taking, including without limitation any payments in respect thereof theretofore or thereafter received by Seller. In the event of any such non-material taking, Seller shall not compromise, settle or adjust any claims to such award without Purchaser's prior written consent.

(e) For the purposes of this paragraph 12 damage to or the taking of a portion of the Property shall be deemed to be material if (i) the reasonably estimated cost of restoration or repair of the damage or the diminution of the value of the remaining Property on account of the taking, as the case may be, shall exceed \$100,000, or (ii) such damage or taking, as the case may be, shall negatively affect Purchaser's access to Woodward Avenue or Eight Mile Road.

(f) Seller shall give Purchaser prompt notice of any damage to or destruction of the Property or of the institution of any proceedings for condemnation of all or any portion of the Property.

13. Purchaser's Remedies Upon Default. In the event Purchaser discovers prior to the Closing that any representation of Seller contained in this Agreement is false or misleading in any material respect, or in the event Seller fails to substantially perform any covenant, agreement or obligation on its part to be kept or performed under paragraph 11 ("Seller's Covenants") and Seller fails to cure such failure within thirty (30) days after receiving the notice thereof, Purchaser may terminate this Agreement by written notice to Seller, in which event all obligations of the parties hereunder shall be released and held for naught, except for any indemnification obligations arising under paragraph 7(a), or Purchaser may elect to close the Transaction and accept such title as Seller is able to convey, in which event all claims for damages arising from false or misleading representations discovered or otherwise known to Purchaser prior to the Closing shall be waived, but Purchaser shall be entitled to specific performance of Seller's obligation to convey the Property by quit claim deed and of its obligation to remove encumbrances (other than Permitted Exceptions) placed on the Property by the act or omission of Seller after the date of this Agreement, but not otherwise, and to seek damages for breach, if any, of Seller's Covenants. In the event Purchaser discovers after the Closing but during the Survival Period that any representation of Seller contained in this Agreement was false or misleading in any material respect when made, Purchaser shall give notice of the relevant circumstances to Seller within thirty (30) days after the person having principal operational responsibility for managing Purchaser's development of the Property shall have first actual knowledge thereof. If Seller fails to make such representations effectively true as of the Closing Date and so long as Purchaser shall file its claim in a court of competent jurisdiction within the Survival Period, Purchaser shall be entitled to recover its actual damages suffered as a direct consequence of any such representations being materially false when made. In no event shall Seller be liable for incidental, consequential, exemplary or punitive damages. In no event shall Seller's liability for damages exceed the Purchase Price and Seller shall be entitled to set off such liability, pro tanto, against the unpaid balance thereof.

14. Seller's Remedy upon Default. In the event Seller discovers prior to the Closing that any representation of Purchaser contained in this Agreement is false or misleading in any material respect, or that an Event of Default (as defined in Development Agreement) has occurred and has not been cured within thirty (30) days after receiving notice thereof, Seller may elect, but shall not be obligated to, terminate this Agreement by written notice to Purchaser, in which event all obligations of the parties hereunder shall be released and held for naught, except for any indemnification obligations arising under paragraph 7(a) and except that Purchaser shall pay to Seller liquidated damages (1) in the amount of Seller's legal fees and other out-of-pocket costs incurred in connection with negotiation and preparation of this Agreement, the Escrow Agreement, the Conveyancing Documents and Development Agreement and otherwise preparing to close the Transaction and (2) if the termination occurs after January 15, 2015, in the amount of the Price Increment that would be payable if the Closing were to occur on the date of termination.

15. Closing. Purchaser and Seller shall close this transaction on the Closing Date selected by Purchaser upon not less than fifteen (15) days' prior written notice and prior to December 31, 2015. The Closing shall take place at the offices of Dickinson Wright PLLC, 500 Woodward Avenue, Suite 4000, Detroit, Michigan, or at another mutually agreeable location.

16. Prorations. All utilities and other operating expenses of the portions of the Property not leased to Tenant, accrued to the Closing Date, and any liens encumbering the Seller's interest in the Property on the Closing Date will be discharged by Seller, without proration. All Rent and other amounts payable under the Lease shall be prorated to the Closing Date.

17. Closing Costs. Each of the parties shall be responsible for its own legal fees. Seller will pay the basic premium for the Title Policy and the recording fee for the Deed. Purchaser will pay for the New Survey, for all costs incurred in connection with Purchaser's Inspection and for all endorsements to the Title Policy. Any other fees, or costs charged by the Title Company in connection with the Escrow Agreement or the Closing shall be split equally between Seller and Purchaser.

18. Brokers. Purchaser and Seller each represent to the other that there has been no involvement of any real estate broker in this Agreement or in the Transaction.

19. "As Is" Sale. Other than as expressly set forth herein, Seller has made no representation or warranty with respect to the Property. Purchaser shall accept the Property at Closing in its "as is, where is" condition. Seller assumes no liability or responsibility for the presence of any Regulated Material on or in the Property, whether for remediation, for cost recovery, contribution or otherwise. Purchaser acknowledges that Purchaser, having been given the opportunity to inspect the Property, will rely solely on its own investigation of the Property and not on any information provided or to be provided by or on behalf of Seller in order to determine its condition and suitability for Purchaser's intended use. Purchaser further acknowledges that no independent investigation or verification has been or will be made by Seller with respect to any information supplied by or on behalf of Seller concerning the Property, it being intended by the parties that Purchaser shall verify the accuracy and completion of such information itself. Purchaser acknowledges that the disclaimers, agreements and other

statements set forth in this paragraph are an integral portion of this Agreement and that Seller would not agree to sell the Property to Purchaser for the Purchase Price without the disclaimers, agreements and other statements in this paragraph.

20. Binding Effect; Assignment. This Agreement shall bind the parties and their respective successors and assigns. Neither party to this Agreement may assign all or any of its rights or obligations hereunder without the prior written consent of the other party.

21. Notices. Notices shall be deemed as given upon personal delivery to Purchaser or Seller, as the case may be, at its address set forth below (or to such other notice address as shall be established by written notice provided in accordance with this paragraph 21), or upon delivery by certified mail, postage prepaid, or by a nationally recognized overnight delivery service, sent to such address. Notices shall be addressed as follows:

<u>If to Purchaser:</u>	Magic Plus, LLC 1223 Turner Street, Suite 300 Lansing, MI 48912 Attn: Joel I. Ferguson
<u>With a Copy to:</u>	REDICO One Towne Square, Suite 1600 Southfield, MI 48076 Attn: Kenneth G. Till Senior Vice President Development
<u>and to</u>	Reid and Reid 110 W. Michigan Avenue, Suite 750 Lansing, MI 48933 Attn: Patrick T. Reid, Esq.
<u>If to Seller:</u>	State of Michigan Land Bank Fast Track Authority 300 N. Washington Square Lansing, MI 48913 Attn: Kevin L. Francart Deputy Director and General Counsel
<u>With a copy to:</u>	Dickinson Wright PLLC 500 Woodward Avenue, Suite 4000 Detroit, Michigan 48226 Attention: James N. Candler, Jr.

22. Headings. The headings of this Agreement are for purposes of reference only and shall not limit or define the meaning of any provisions of this Agreement.

23. Saturdays, Sundays and Holidays. Time is of the essence of this Agreement and the performance of all covenants, agreements and obligations hereunder. Whenever in this Agreement it is provided that notice must be given or an act performed or payment made on a certain date, if such date falls on a Saturday, Sunday or holiday the date for the notice of performance or payment shall be the next following business day.

24. Waiver. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing to the party making the waiver.

25. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

26. Integration. This Agreement constitutes the entire agreement and understanding between the parties hereto relating to the sale and purchase of the Property, and it is agreed that any change in, addition to, or amendment or modification of the terms hereof shall be of no effect unless reduced to writing and executed by both Purchaser and Seller. This Agreement supersedes all prior agreements, written or oral, between Seller and Purchaser relating to the subject matter hereof.

27. Controlling Law. This Agreement shall be controlled, construed and enforced in accordance with the laws of the State of Michigan, without giving effect to its conflict of laws provisions.

28. Survival. This Agreement shall not be merged into the Conveyancing Documents or any other documents delivered at the Closing. All covenants and agreements contained herein shall survive the Closing and remain in full force and effect, including but not limited to the obligations of Purchaser to pay the Purchase Price and to indemnify Seller against loss or liability arising from Purchaser's Inspections. The representations of the parties shall survive for a period of one year after the Closing Date.

29. Benefit. The covenants, agreements and undertakings of each of the parties hereto are made solely for the benefit of, and may be relied on only by, the other party hereto, its successors or assigns, and are not made for the benefit of, nor may they be relied upon, by any other person whatsoever.

30. Publicity. Prior to the Closing, any news or other media releases to the public by either party of information regarding the Transaction will be provided in advance to the other party with sufficient lead time for comment or coordination, as the case may be.

31. State Mandated Contract Provisions.

(a) **Zoning, Safety and Regulatory Compliance.** When title passes to Purchaser at Closing, the Property will immediately become subject to certain State safety and regulatory laws and to certain local ordinances and regulations (including zoning and use

requirements) to which the Property was not previously subject, because it was owned by the State. Purchaser acknowledges that in certain substantial respects the Property may not comply with such statutes, rules, ordinances and regulations and may have to be substantially altered or repaired to become compliant. Purchaser acknowledges that it will comply with all zoning and use requirements and that the Seller is under no obligation to take any action to bring the Property into compliance with such statutes.

(b) **Nondiscrimination.** Pursuant to MCL 37.2209 and MCL 37.1209, Purchaser will comply with the Elliot-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101 et seq., the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101 et seq., and all other federal, state and local fair employment practices and equal opportunity laws. Purchaser covenants that it will not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform duties of a particular job or position. Purchaser agrees to include this covenant not to discriminate in employment in every subcontract entered into for the performance of this Agreement. A breach of this covenant will constitute a material breach of this Agreement.

(c) **Unfair Labor Practices.** Pursuant to MCL 423.324, the State may void a contract if Purchaser or any of its contractors, subcontractors, manufacturers, or suppliers appears in the register compiled pursuant to 1980 PA 278, MCL 423,321 et seq. A breach of this covenant will constitute a material breach of this Agreement.

IN WITNESS WHEREOF, the Seller and Purchaser have executed this Agreement, effective as of the day and year first above written.

PURCHASER:

SELLER:

MAGIC PLUS, LLC

STATE OF MICHIGAN LAND BANK
FAST TRACK AUTHORITY

By: _____
Joel I. Ferguson
Its: Member

By: _____
Kim Homan
Its: Executive Director

Exhibit A	Legal Description of the Property
Exhibit B	Definition of Terms
Exhibit C	Purchase Payment Methodology
Exhibit D	Legal Description of Leased Premises
Exhibit E	Schedule of Environmental Reports

DETROIT 55755-1 1286680v6

EXHIBIT A

Legal Description of the Property

SEE ATTACHED

EXHIBIT A - LEGAL DESCRIPTION

Tax Id Number(s): PT Ward 1 Item No. 9845, Ward 01; Item No.009845, Ward 24: Item No. 000155

Land Situated in the City of Detroit in the County of Wayne in the State of MI

PARCEL I:

All that part of Section 2 and 3, Town 1 South, Range 11 East, more particularly described as follows: Beginning at the intersection of the Easterly line of Woodward Avenue and the North line of Seven and one half mile road, center of said road being the East and West quarter line of Section 2 Greenfield Township, (now City of Detroit), running thence North 25 degrees 22 minutes 00 seconds West, 1731.80 feet; thence North 89 degrees 30 minutes 00 seconds East, 1384.50 feet; thence North 00 degrees 36 minutes 00 seconds West, 940.70 feet to the center line of Eight Mile Road; thence North 89 degrees 10 minutes 00 seconds East along the centerline of said road, 1267.00 feet to the Westerly line of the Detroit, Grand Haven and Milwaukee Railroad, so called; thence South 29 degrees 59 minutes 00 seconds East, 1536.00 feet; thence North 89 degrees 21 minutes 00 seconds East, 626.00 feet; thence South 00 degrees 01 minutes 00 seconds East, 1340.80 feet to the centerline of Seven and one half mile road; thence North 89 degrees 08 minutes 00 seconds West along the centerline of the said road, 1318.00 feet; thence North 89 degrees 43 minutes 00 seconds West, 1292.40 feet to the Southwest corner of the East one half of the Northwest 1/4 of Section 2; thence North 00 degrees 17 minutes 00 seconds East 33 feet to the intersection with the Northerly line of Seven and one half mile road; thence North 89 degrees 43 minutes West along Northerly line of said road, 689.40 feet to the point of beginning.

Except all that triangular part of the Northeast 1/4 of Section 2, Town 1 south, Range 11 East, lying East of railroad right of way and South of Little Garden Farms Subdivision.

Also, excepting the following described land: A parcel of land situated in Section 2 of Greenfield Twp., City of Detroit, Wayne County, State of Michigan, being part of the property now known as the Michigan State Fair Grounds and more particularly described as follows: Beginning at a point where the South line of the Eight Mile Road (now 204 feet wide) intersects the Westerly right of way line of the Grand Trunk Western Railroad Company, said point being 38.00 feet Westerly at right angles from the center-line of the Westbound main track of said Railroad Company as now located; thence Westerly along the South line of the Eight Mile Road a distance of 28.63 feet; thence Southerly parallel to and 25.00 feet at right angles from the Westerly right of way line of said Railroad Company a distance of 169.96 feet; thence Southeasterly a distance of 110.43 feet to a point on the Westerly right of way line of said Railroad Company, said point being 38.00 feet Westerly at right angles from aforesaid center line of West bound main track and 263.52 feet Southerly from the South line of the Eight Mile Road, measured along said Westerly right of way line of said Railroad Company; thence Northerly along said Westerly right of way line a distance of 263.52 feet to place of beginning.

PARCEL II:

And a parcel of land situated in the Northwest 1/4 of the Southeast 1/4 of Section 2 and described as follows: Beginning at point in the Northerly line of the Southeast 1/4 of said Section which point is 1319 feet Westerly from the Northeast corner of said 1/4 Section running thence Easterly along said Northerly line of said 1/4 Section 114.33 feet to the Westerly line of the Detroit, Grand Haven and Milwaukee Railroad (so-called); thence Southeasterly along said Westerly line of 317.28 feet; thence Westerly 274.08 feet to the Westerly line of the East 1/2 of the Southeast 1/4 of Section 2; thence Northerly along said line 274.34 feet to the point of beginning.

Land as surveyed:

PARCEL I:

A parcel of land in the Northeast 1/4, Northwest 1/4 and Southeast 1/4 of Section 2 and the Northeast 1/4 of Section 3, Town 1 South, Range 11 East, City of Detroit, Wayne County, Michigan and more particularly described as commencing at the Northwest corner of said Section 2; thence South 01 degree 59 minutes 26 seconds East 33.00 feet to the North line of Germans Montrose Park Subdivision and the South right of way of Eight Mile Road; thence North 88 degrees 00 minutes 34 seconds East 1323.68 feet on the North line of Germans Montrose Subdivision to the Northeast corner of said Subdivision and the point of beginning of this description; thence North 88 degrees 00 minutes 34 seconds East on the South right of way line of Eight Mile Road, 1249.15 feet to the Southwesterly right of way of the Grand Trunk Western Railroad; thence on said right of way on the next five calls: thence South 31 degrees 13 minutes 25 seconds East, 169.96 feet; thence South 44 degrees 18 minutes 21 seconds East 110.43 feet; thence South 31 degrees 13 minutes 25 seconds East 2503.17 feet; thence South 01 degree 15 minutes 10 seconds East 40.04 feet; thence South 31 degrees 13 minutes 25 seconds East 226.77 feet to the centerline of State Fair Avenue and the East-West 1/4 line of said Section 2; thence North 89 degrees 08 minutes 56 seconds East on said East-West 1/4 line, 17.39 feet; thence South 31 degrees 13 minutes 25 seconds East on the Westerly line of the Grand Trunk Western Railroad, 317.18 feet; thence South 88 degrees 52 minutes 19 seconds West 280.64 feet; thence North 01 degree 19 minutes 28 seconds West 275.02 feet to the East-West 1/4 line of said Section 2; thence South 89 degrees 08 minutes 56 seconds West 1319.94 feet, on said East-West 1/4 line of said State Fair Avenue to the center of said Section 2; thence South 88 degrees 32 minutes 46 seconds West 1290.77 feet, on said East-West 1/4 line and centerline of State Fair Avenue; thence North 01 degree 32 minutes 55 seconds West 33.00 feet to the North line of State Fair Avenue; thence South 88 degrees 32 minutes 46 seconds West 692.91 feet, on the North line of State Fair Avenue to the Northeast right of way line of Woodward Avenue; thence North 26 degrees 34 minutes 10 seconds West on said Woodward Avenue right of way 400.14 feet; thence along the boundary of the DNR Pocket Park the following five calls: thence North 88 degrees 09 minutes 24 seconds East 291.51 feet; thence North 00 degrees 25 minutes 49 seconds West 252.35 feet; thence South 88 degrees 45 minutes 56 seconds West 169.82 feet; thence North 01 degree 14 minutes 04 seconds West 13.00 feet; thence South 88 degrees 25 minutes 45 seconds West 251.61 feet to the Northeast right of way line of Woodward Avenue; thence North 26 degrees 34 minutes 10 seconds West 1033.60 feet, on said Woodward Avenue right of way to the Southwest corner of Lot 24, Plat of State Fair Subdivision #2; thence North 88 degrees 21 minutes 23 seconds East 1382.91 feet, on the South line of State Fair Subdivision #2; thence North 01 degree 41 minutes 24 seconds West 1008.30 feet, on the East line of said State Fair Subdivision #2 and the East line of said Germans Montrose Park Subdivision to the point of beginning.

PARCEL II:

A parcel of land in the Northeast 1/4 of Section 2, Town 1 South, Range 11 East, City of Detroit, Wayne County, Michigan, the boundary of said parcel being described as commencing at the North 1/4 corner of Section 2, Town 1 South, Range 11 East, Michigan Meridian; thence North 88 degrees 00 minutes 34 seconds East along the North Section line, 30.11 feet; thence South 31 degrees 13 minutes 25 seconds East along the Northeasterly right of way of the Grand Trunk Western Railroad, 1500.38 feet to the point of beginning; thence North 88 degrees 05 minutes 49 seconds East 537.23 feet; thence South 01 degree 15 minutes 10 seconds East 937.64 feet; thence North 31 degrees 13 minutes 25 seconds West along said right of way line, 1075.34 feet to the point of beginning.

Client Reference: 20110 Woodward Ave. , Detroit, MI 48201

EXHIBIT B

Definitions of Terms

As used in this Agreement, the following terms have the following respective meanings:

“Acceleration Event” means any of the following:

- a) Filing by or on behalf of Purchaser of a petition in any proceeding seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief, or it shall be adjudicated insolvent or bankrupt, or the appointment of a receiver, trustee, custodian or other similar official for it or any substantial part of its property.
- b) Dissolution of Purchaser.
- c) Sale or transfer in one or more transactions of all or portions of the Property exceeding 125 acres in aggregate area.

“Discount Rate” means, with respect to each annual discount period (or ending stub period, as applicable) between the Valuation Date and the second anniversary of the Closing Date, the lesser of 5% per annum or the percentage change during that period of the Consumer Price Index for all Urban Consumers, U.S. City Average, for all items (“CPI-U”), and with respect to each annual period (or stub period, as applicable) following the second anniversary of the Closing Date, the fixed rate of 5% per annum.

“8% Preferred Return” means a distribution from available net cash flow equal to 8% of the average outstanding equity balance in respect of each year following the Closing Date. To the extent that available net cash flow is not sufficient to make the 8% Preferred Return in any given year the unpaid balance of the 8% Preferred Return shall be added to the outstanding equity balance from which the 8% Preferred Return is calculated in the subsequent year.

“Gross Lease Revenues” means all revenues received from tenants, including base or minimum rent, percentage rent, rent escalations, parking revenue, charges for electricity, administration, common area maintenance insurance, real property taxes or otherwise payable under leases of any portion of the Property (net of true up adjustments) and any amounts paid for or in connection with the termination of leases or other agreements with tenants to the extent representing the payment of rent. Gross Lease Revenues do not include the following:

- a) Fire loss or other insurance proceeds.
- b) Security deposits except for the portion applied to past due rent.
- c) Prepaid rents except for the portion applied to the then current month.
- d) Sums collected or paid for sales, excise or use taxes.
- e) Condemnation awards.
- f) Reimbursement of any legal fees, court costs, fines, fees or other out-of-pocket expenses incurred by Purchaser in connection with any legal dispute or proceeding.

“Net Cash Flow from Operations” means Gross Lease Revenues less the following:

- a) Management fees, not to exceed 5% of Gross Lease Revenues.
- b) Any part of Gross Lease Revenues paid to Seller.
- c) Reasonable and customary (or as otherwise required by lenders) replacement reserve for capital expenditures.
- d) Annual debt service (including required principal payments, interest payments, and fees).
- e) Annual amortization of costs incurred in connection with New Markets Tax Credits or a similar financing vehicle.

“Net Proceeds” means the net amount received by Purchaser and/or any of its members after deducting all costs and expenses associated with a given transaction and after deducting proceeds of that transaction used to pay outstanding indebtedness for money borrowed (but proceeds used for capital expenditures or to modify or terminate the Lease shall not be deducted).

EXHIBIT C

Purchase Payment Methodology

SEE ATTACHED

State Fairgrounds - Consolidated Cash Flow Model
Revised 9-23-2013

	Initial Investment	Construction	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Total Revenues	-	-	4,608,295	14,111,485	15,228,905	15,533,483	15,844,152	16,161,035	16,484,256	16,813,941	17,150,220	17,493,224
Total Expenses	-	-	(3,270,023)	(7,252,809)	(7,977,650)	(8,137,203)	(8,299,948)	(8,465,946)	(8,635,265)	(8,807,971)	(8,984,129)	(9,163,811)
Net Operating Income	-	-	1,338,273	6,858,676	7,251,254	7,396,279	7,544,205	7,695,089	7,848,991	8,005,971	8,166,091	8,329,414
Capital Expenses	-	-	(213,414)	(213,414)	(217,682)	(222,036)	(226,477)	(231,006)	(235,626)	(240,339)	(245,146)	(250,049)
Cash Flow Before Debt Service	-	-	1,124,859	6,645,262	7,033,572	7,174,243	7,317,728	7,464,083	7,613,364	7,765,632	7,920,945	8,079,365
Annual Debt Service	-	-	-	(3,233,920)	(3,176,671)	(3,116,038)	(3,051,817)	(2,983,792)	(2,911,736)	(2,835,408)	(2,756,795)	(2,671,226)
Annual Interest Payments	-	-	-	(986,211)	(1,043,459)	(1,104,093)	(1,168,314)	(1,236,339)	(1,308,394)	(1,384,723)	(1,463,336)	(1,548,905)
NMTC Annual Costs	-	-	-	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	-	-	-	-
Total Debt Service	-	-	-	(4,620,131)	(4,620,131)	(4,620,131)	(4,620,131)	(4,620,131)	(4,220,131)	(4,220,131)	(4,220,131)	(4,220,131)
Cash Flow Prior to Pref Return	\$ -	\$ -	\$ 1,124,859	\$ 2,025,131	\$ 2,413,441	\$ 2,554,112	\$ 2,697,597	\$ 2,843,952	\$ 3,393,234	\$ 3,545,501	\$ 3,700,815	\$ 3,859,234
Cumulative 8% Pref Return to Owner	-	-	(1,124,859)	(2,025,131)	(2,413,441)	(2,554,112)	(1,843,684)	(1,567,436)	(1,567,436)	(1,567,436)	(1,567,436)	(1,567,436)
Net Cash Flow From Operations	-	-	-	-	-	-	853,913	1,276,515	1,825,797	1,978,064	2,133,378	2,291,798
Investment Sources & Uses												
Development Costs	(119,302,785)	-	-	-	-	-	-	-	-	-	-	-
Financing Proceeds	58,580,142	-	-	-	-	-	-	-	-	-	-	-
NMTC Proceeds	16,945,918	-	-	-	-	-	-	-	-	-	-	-
TIF Proceeds	21,333,768	-	-	-	-	-	-	-	-	-	-	-
Grants	2,850,000	-	-	-	-	-	-	-	-	-	-	-
Sale Proceeds	-	-	-	-	-	-	-	-	-	-	-	97,962,304
Ending Debt Balance	-	-	-	-	-	-	-	-	-	-	-	(47,336,367)
State Participation (Operations)	-	-	-	-	-	-	(426,957)	(638,258)	(912,899)	(989,032)	(1,066,689)	(1,145,899)
State Participation (Catchup)	-	-	-	-	-	-	-	-	-	-	-	(784,591)
Excess Cash Flow	\$ (19,592,956)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 426,957	\$ 638,258	\$ 912,899	\$ 989,032	\$ 1,066,689	\$ 50,987,245
Add Back Preferred Return	-	-	1,124,859	2,025,131	2,413,441	2,554,112	1,843,684	1,567,436	1,567,436	1,567,436	1,567,436	1,567,436
Total Cash Flow to Ownership	\$ (19,592,956)	\$ -	\$ 1,124,859	\$ 2,025,131	\$ 2,413,441	\$ 2,554,112	\$ 2,270,641	\$ 2,205,694	\$ 2,480,335	\$ 2,556,469	\$ 2,634,126	\$ 52,554,681
IRR	15.36%											

State Revenue Summary												
**Payment to State (1% of Revenues)	-	-	46,083	141,115	152,289	155,335	158,442	161,610	164,843	168,139	171,502	174,932
**State Operating Participation	-	-	-	-	-	-	426,957	638,258	912,899	989,032	1,066,689	1,145,899
***State Catchup Participation	-	-	-	-	-	-	-	-	-	-	-	784,591
Total	\$ -	\$ -	\$ 46,083	\$ 141,115	\$ 152,289	\$ 155,335	\$ 585,398	\$ 799,868	\$ 1,077,741	\$ 1,157,172	\$ 1,238,191	\$ 2,105,422
NPV @ 5%	\$ 4,650,000											

*The State of Michigan is entitled to 1% of annual revenues.

**Once the owner has received an 8% cumulative preferred return on their investment, the State receives 50% of remaining operating flows. The distributions to the State are capped at \$4.65mm NPV assuming a 5% discount rate

***If the State has not received the equivalent of a \$4.65mm NPV (discounted at 5%) through operating cash flows, they are entitled to participation in net sale or refinancing proceeds until they have received a \$4.65mm NPV.

The sale is shown in year 11 to show the acceleration of the \$4.65mm NPV.

EXHIBIT D

Legal Description of Leased Premises

SEE ATTACHED

EXHIBIT D

LEGAL DESCRIPTION

Real property located in the City of Detroit, Wayne County, Michigan, described as:

A parcel of land in the northwest ¼ of section 2, town 1 south, range 11 east, City of Detroit, Wayne County, Michigan and being more particularly described as commencing at the northwest corner of said section 2; thence south 01 degree 59 minutes 26 seconds east 33.00 feet to the north line of Germans Montrose Park Subdivision and the south right of way of Eight Mile Road; thence north 88 degrees 00 minutes 34 seconds east 1323.68 feet, on the north line of Germans Montrose Subdivision to the east line of said subdivision; thence south 01 degree 41 minutes 24 seconds east 1008.30 feet on the east lines of Germans Montrose Subdivision and State Fair Subdivision No. 2 to the south line of said State Fair Subdivision No. 2; thence south 88 degrees 21 minutes 23 seconds west 26.86 feet on said south line to a point on the northerly extension of the east wall line of the Agriculture Building; thence south 01 degree 34 minutes 55 seconds east 48.37 feet along said extension to the northeast corner of said building, said point also being the point of beginning; thence along the exterior wall line of said Agriculture Building for the following twelve (12) courses: 1) south 01 degree 34 minutes 55 seconds east 92.35 feet; 2) north 88 degrees 25 minutes 05 seconds east 10.50 feet; 3) south 01 degree 34 minutes 55 seconds east 59.00 feet; 4) south 88 degrees 25 minutes 05 seconds west 10.50 feet; 5) south 01 degree 34 minutes 55 seconds east 92.37 feet; 6) south 88 degrees 25 minutes 05 seconds west 11.95 feet; 7) south 01 degree 43 minutes 31 seconds east 11.00 feet; 8) south 88 degrees 16 minutes 29 seconds west 95.89 feet; 9) north 01 degree 43 minutes 31 seconds west 11.00 feet; (10) south 88 degrees 16 minutes 29 seconds west 12.00 feet; 11) north 01 degree 38 minutes 51 seconds west 243.74 feet; 12) north 88 degrees 17 minutes 55 seconds east 120.13 feet to the point of beginning.

TOGETHER WITH THE FOLLOWING NON-EXCLUSIVE EASEMENT FOR ACCESS / PARKING:

An Easement for Access and Parking, located in the northwest ¼ of section 2, town 1 south, range 11 east, City of Detroit, Wayne County, Michigan and more particularly described as commencing at the northwest corner of said Section 2; thence south 01 degree 59 minutes 26 seconds east 33.00 feet to the north line of Germans Montrose Park Subdivision and the south right of way of Eight Mile Road; thence north 88 degrees 00 minutes 34 seconds east 1323.68 feet, on the north line of Germans Montrose Subdivision to the east line of said Subdivision and the point of beginning; thence south 01 degree 41 minutes 24 seconds east 1008.30 feet on the east lines of Germans Montrose Subdivision and State Fair Subdivision No. 2 to the south line of State Fair Subdivision No. 2; thence south 88 degrees 21 minutes 23 seconds west 1382.91 feet on said south line to the easterly right of way of Woodward Avenue; thence south 26 degrees 34 minutes 10 seconds east 72.78 feet on said right of way; thence north 88 degrees 21 minutes 23 seconds east 914.77 feet; thence north 01 degree 30 minutes 57 seconds west 16.22 feet; thence north 88 degrees 09 minutes 55 seconds east 410.49 feet to the northeast corner of the Agriculture Building; thence along the east wall line of the Agriculture Building and its south extension for the next five (5) courses: 1) south 01 degree 34 minutes 55 seconds east 92.35 feet; 2) north 88 degrees 25 minutes 05 seconds east 10.50 feet; 3) south 01 degree 34 minutes 55 seconds east 59.00 feet; 4) south 88 degrees 25 minutes 05 seconds west 10.50 feet; 5) south 01 degree 34 minutes 55 seconds east 103.34 feet; thence north 88 degrees 16 minutes 29 seconds east 95.05 feet to the south extension of the west wall line of the Coliseum Building; thence along said extension and wall line for the next nine courses: 1) north 01 degree 39 minutes 22 seconds west 55.69 feet; 2) south 88 degrees 20 minutes 38 seconds west 1.71 feet; 3) north 01 degree 36 minutes 44 seconds west 27.96 feet; 4) north 86 degrees 33 minutes 27 seconds east 1.81 feet; 5) north 01 degree 41 minutes 23 seconds west 95.78 feet; 6) south 89 degrees 14 minutes 23 seconds west 9.56 feet; 7) north 01 degree 30 minutes 15 seconds west 55.32 feet; 8) north 88 degrees 29 minutes 45 seconds east 9.09 feet; 9) north 01 degree 30 minutes 15 seconds west 19.88 feet; thence south 88 degrees 29 minutes 45 seconds west 17.56 feet; thence north 01 degree 41 minutes 24 seconds west 1056.67 feet to the south right of way of Eight Mile Road; thence south 88 degrees 00 minutes 34 seconds west 50.00 feet along said south right of way to the point of beginning.

EXHIBIT E

Schedule of Environmental Reports

1. Report of Asbestos and Limited Lead-Based Paint Survey, dated May 15, 2009, prepared by Materials Testing Consultants, Inc. (MTC Project No. 081563)
2. Report of Phase I Environmental Site Assessment, dated May 29, 2009, prepared by Materials Testing Consultants, Inc. (MTC Project No. 081563)
3. Report of Phase II Environmental Site Assessment, dated July, 2009, prepared by Materials Testing Consultants, Inc. (MTC Project No. 081563)
4. Report of Phase III Environmental Site Assessment, dated July 17, 2012, prepared by Materials Testing Consultants, Inc. (MTC Project No. 121055)
5. Leaking Storage Tank Closure Report, dated July 17, 2012, prepared by LimnoTech, and supplemental information provided to the Michigan Department of Environmental Quality (“DEQ”) on January 18, 2013 and on June 4, 2013, which report and supplemental information were approved by DEQ by letter dated June 13, 2013.