

ADDENDUM
PROPOSED REZONING

**20.42 / 25.59 Acres – East side of John R Road
Approximately 800 feet South of Avon Road**

Metropolitan Property Management Inc.

Table of Contents

1. Amended Re-zoning Request
2. Zoning Use Agreement
3. Location Map
4. Information for Additional Parcels, Eight and Nine
 - a. Application to Rezone
 - b. Notarized Letter from Property Owners
 - c. Proof of Ownership or Interest in Property

1

ATTORNEYS AND COUNSELORS
KALAS KADIAN, P.L.C.
40900 WOODWARD AVENUE, SUITE 315
BLOOMFIELD HILLS, MICHIGAN 48304

TELEPHONE: (248) 203-7174
FACSIMILE: (248) 203-7209

MACOMB COUNTY OFFICE
42550 GARFIELD, SUITE 104A
CLINTON TOWNSHIP, MI 48038

April 6, 2005

Via Hand Delivery

Mr. Derek Delacourt
City of Rochester Hills
1000 Rochester Hills Drive
Rochester Hills, MI 48309-3033

**Re: Rezoning Request/Metropolitan Property Management, Inc.
School Road and John R Road**

Dear Mr. Delacourt:

In follow up to my client's recent discussions and meeting with you, including my discussions with City Attorney, John Staran, I am enclosing herewith, relative to the above-referenced rezoning, the following original and twelve (12) copies of the following documents:

1. A new residential development location map, which now also includes Parcel Nos. 07-15-24-100-009 (2.69 acres); and 07-15-24-100-010 (2.48 acres);
2. Applications to Rezone, signed by the current fee simple owners of Parcel No. 009, Philip and Mary Ann Fry and Parcel No. 010, Willard and Linda Kaye Borton;
3. Authorization letters for the rezoning request, signed by Mr. and Mrs. Fry and Mr. and Mrs. Borton;
4. Copies of the two (2) Purchase Agreements, evidencing my client's interest in the additional two (2) parcels; and
5. Proposed draft of Zoning Use Agreement (subject to review and approval) relative to conditions being voluntarily offered by my client under MCL 125.584(g).

The above information is in supplement to the previous Applications to Rezone filed by my client, and for which a public hearing took place at the Planning Commission on March 15, 2005. I am requesting at this time that the two (2) additional parcels be included in the above-referenced rezoning. In discussing this matter with Mr. Staran, it is my understanding that you will provide publication for the two (2) additional parcels, as required by statute, which are now part of the rezoning request.

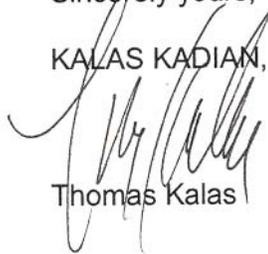
Mr. Derek Delacourt
City of Rochester Hills
April 6, 2005
Page -2-

I am kindly requesting that you process the Application and Supplement in your usual manner. It is my understanding that by submitting the enclosed information today, this matter can be placed on the Planning Commission Agenda for its meeting of May 3, 2005.

Your attention to this mater is greatly appreciated and, in the interim, should you need any additional information, please do not hesitate to give me a call.

Sincerely yours,

KALAS KADIAN, P.L.C.



Thomas Kalas

TK:vb
Enclosures
cc w/encl:

John D. Staran, Esq.
Client

2

**ROCHESTER HILLS
ZONING USE AGREEMENT**

This Zoning Use Agreement ("Agreement"), is made this ____ day of _____, 2005, by and between the City of Rochester Hills, a Michigan municipal corporation ("City"), whose address is 1000 Rochester Hills Drive, Rochester Hills, MI 48309, and Metropolitan Property Management, Inc., a Michigan corporation ("Developer"), whose address is 42850 Schoenherr Rd., Sterling Heights, MI 48313, and [owner names] ("Owners"), whose address for purposes of this Agreement, is the same as Developer's.

RECITALS

Whereas, Owners are the fee simple title holders of, and Developer has an interest in certain real property located in the City, consisting of approximately 25.59 acres, more or less, comprised of nine (9) parcels, and located on the north side of School Road and east of John R Road, identified as Parcel I.D. Nos. 07-15-24-100-037; 038; 040; 028; 029; 018; 019; 009; and 010. (See Exhibit "A" parcel layout).

Whereas, the Property is currently zoned R-3 Single Family Residential, and Developer desires to rezone the Property to RM-1 Multiple Family Residential; and

Whereas, Developer has submitted its rezoning application with attachments to the City, seeking to rezone the Property from its current R-3 designation to RM-1; and

Whereas, MCL 125.584(g) provides, in part, that an owner of land may voluntarily offer in writing and the City may approve, certain use and development of the land, as a condition to a rezoning of the land or an amendment to a zoning map;

Whereas, in submitting the application for rezoning, Developer and Owners voluntarily offered in writing, to condition the rezoning and limit use of the Property for residential single-story multiple family attached condominium units, with conditions offered by Developer and Owners and as provided for in this Agreement; and

Whereas, Developer, in developing the Property, has agreed to make appropriate provisions for municipal sanitary sewer, water and storm sewer service to the Property; and

Whereas, a public hearing was held in this matter at the Planning Commission, on March 15, 2005, at which time the Planning Commission voted to table the rezoning request for further study and analysis by the Planning Commission; and

Whereas, on _____, 2005, the Planning Commission recommended approval of the rezoning request, subject to the conditions offered voluntarily by Owners and Developer, and as further specified in this Agreement; and

Whereas, on _____, 2005, the City Council approved the rezoning request, subject to the conditions voluntarily offered by Developer and Owners under MCL 125.584(g); and

Whereas, this Agreement is consistent with the intent of and satisfies the conditions of, the statute, and the City desires to ensure that the Property is developed and used in accordance with the conditions voluntarily provided by Developer and Owners, for development of the Property with residential multiple family attached condominium units, in accordance with the City's RM-1 Multiple Family Residential zoning criteria, and as further provided for in this Agreement.

Now, Therefore, the Owners, Developer and the City, in consideration of the mutual covenants described herein and with the express understanding that this Agreement contains important and essential terms as part of the City's approval of the rezoning request from R-3 to RM-1, agree as follows:

1. **Incorporation of Recitals**. The parties acknowledge and represent that the foregoing recitals are true and accurate and are hereby incorporated into this Agreement, to be binding upon the parties.

2. **Rezoning Approval**. The parties acknowledge and agree that the Property has been granted rezoning approval by the City, and the land is hereby rezoned from its current R-3 Single Family Residential, to the requested RM-1 Multiple Family Residential. Such rezoning approval is conditioned upon Developer and Owners developing the Property under the RM-1 zoning district criteria, but restricting the use to residential condominium units, as provided for in this Agreement.

3. **Condominium Units**. The Property shall be developed and the condominium units shall be constructed so as to provide density not to exceed six (6) units per acre, while conforming to the RM-1 zoning district criteria and regulations. The condominium units shall be attached one-story ranch condominiums, with a minimum square footage of 1,350 square feet. All units shall have a two-car attached garage, two bedrooms and two baths. The condominium units shall have full basements (soil conditions permitting) and will be at least fifty (50%) percent brick. All roads within the development shall be private, with a width of 24'. The intent of the rezoning request was to allow Developer and Owners to provide new affordable residential housing with floor plans offered to future customers, to meet their needs and market conditions.

4. **Construction of Utility Improvements**. As part of the development, Developer, at its expense and contingent upon proceeding with the development, shall construct municipal sanitary sewer, water and storm sewer improvements necessary to service the development, and which shall be constructed to the applicable standards of the municipality or agency having jurisdiction over such items. The City shall cooperate and work with Developer, at Developer's expense, to help Developer secure all easements necessary for extension of municipal water, sanitary sewer and storm sewer to the Property.

5. **Zoning Expiration**. The zoning conditions contained in this Agreement shall apply to the Property for a period of three (3) years from and after receiving final site plan approval from the municipality. However, upon application of the Developer, its successor or assign, and approval of the City, the City may extend the time period during which the conditions apply to the land. In the event the conditions are not satisfied within the time specified herein and any extension thereof, or in the event that Developer, its successor or assign, notifies the City of its abandonment of the development plan for the Property, the Property shall revert to its former

zoning classification of R-3. Notwithstanding the foregoing, Developer, for itself and its successors and assigns, retains the right at any time prior to the commencement of construction of the improvements contemplated herein, to terminate this Agreement.

6. **Integration/Amendments.** This Agreement and its exhibits sets forth the entire agreement between the parties relative to the subject matter hereof. No prior or contemporaneous oral or written representations, statements, promises, agreements or undertakings made by either party or agent of either party that are not contained in this Agreement shall be valid or binding. This Agreement may not be amended except in writing signed by the parties and recorded in the same manner as this Agreement. Remedial amendments to correct errors and omissions, as well as minor technical changes to the development and plans, may be approved and executed by the City **[individual name]**, as long as they are consistent with the spirit and intent of this Agreement.

7. **Severability.** It is understood and agreed by the parties that if any part, term or provision of this Agreement is finally held by the courts to be illegal or in conflict with any statute, ordinance, rule, regulation or other applicable law, the validity of the remaining portions or provisions of this Agreement shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular part, term or provision held to be invalid.

8. **Governing Law.** This Agreement shall be governed by the laws of the State of Michigan, both as to interpretation and performance. Any and all suits for any and every breach of this Agreement may be instituted and maintained in any court of competent jurisdiction in the County of Oakland, State of Michigan.

9. **Waiver.** No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach.

10. **Remedies.** In the event that a party believes that the other party is not acting, reasonably or in conformity with this Agreement, then the aggrieved party may petition the Oakland County Circuit Court to resolve such dispute and the parties shall make themselves immediately available for a hearing on a date to be set by the Court. In the event that the Court finds that party has not acted in good faith or in conformity with this Agreement, then the Court may order reasonable costs and attorney fees incurred to the prevailing party. All remedies afforded in this Agreement shall be taken and construed as cumulative, that is, in addition to every other remedy provided by law and/or equity.

11. **Inconsistency.** To the extent that the Agreement and exhibits conflict with the City Ordinance requirements, the terms of this Agreement and exhibits will control. Any clerical errors or mistakes in this Agreement or its exhibits may be corrected by any of the parties, and all parties agree to cooperate in making such corrections in order to effectuate the intent of the parties in entering into this Agreement. In all events any reference to the City Ordinances shall mean existing Ordinances of the City of Rochester Hills at time of execution of this Agreement.

12. **Authority.** The signers of this Agreement warrant and represent that they have the authority to sign this Agreement on behalf of their respective principals and the authority to bind each party to this Agreement according to its terms. Further, each of the parties represents that the execution of this Agreement has been duly authorized and is binding on such party.

13. **Binding Effect.** This Agreement shall not be effective until the effective date of the City's Ordinance rezoning the Property to RM-1. The Agreement shall be recorded in the office of the Oakland County Register of Deeds and a certified copy of the recorded Agreement shall be delivered to the City. This Agreement shall run with the land and bind the parties, their heirs, successors and assigns. It is also understood that the members of the City Council and/or its departments may change, but the City shall nonetheless remain bound by this Agreement.

In Witness Whereof, the parties hereto have set their hands and seals as of the day and year first written above.

WITNESSES:

METROPOLITAN PROPERTY
MANAGEMENT, INC.,
a Michigan corporation

By: _____

Its: _____

Subscribed and sworn to before me
this _____ day of _____, 2005.

Notary Public
_____ County, Michigan
Acting in _____ County, Michigan

WITNESSES:

CITY OF ROCHESTER HILLS,
a Michigan municipal corporation,

By: _____

Its: Mayor

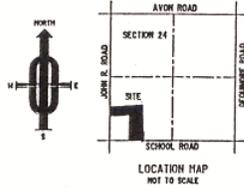
Subscribed and sworn to before me
this _____ day of _____, 2005.

Notary Public
_____ County, Michigan
Acting in _____ County, Michigan

(signatures continued on following page)

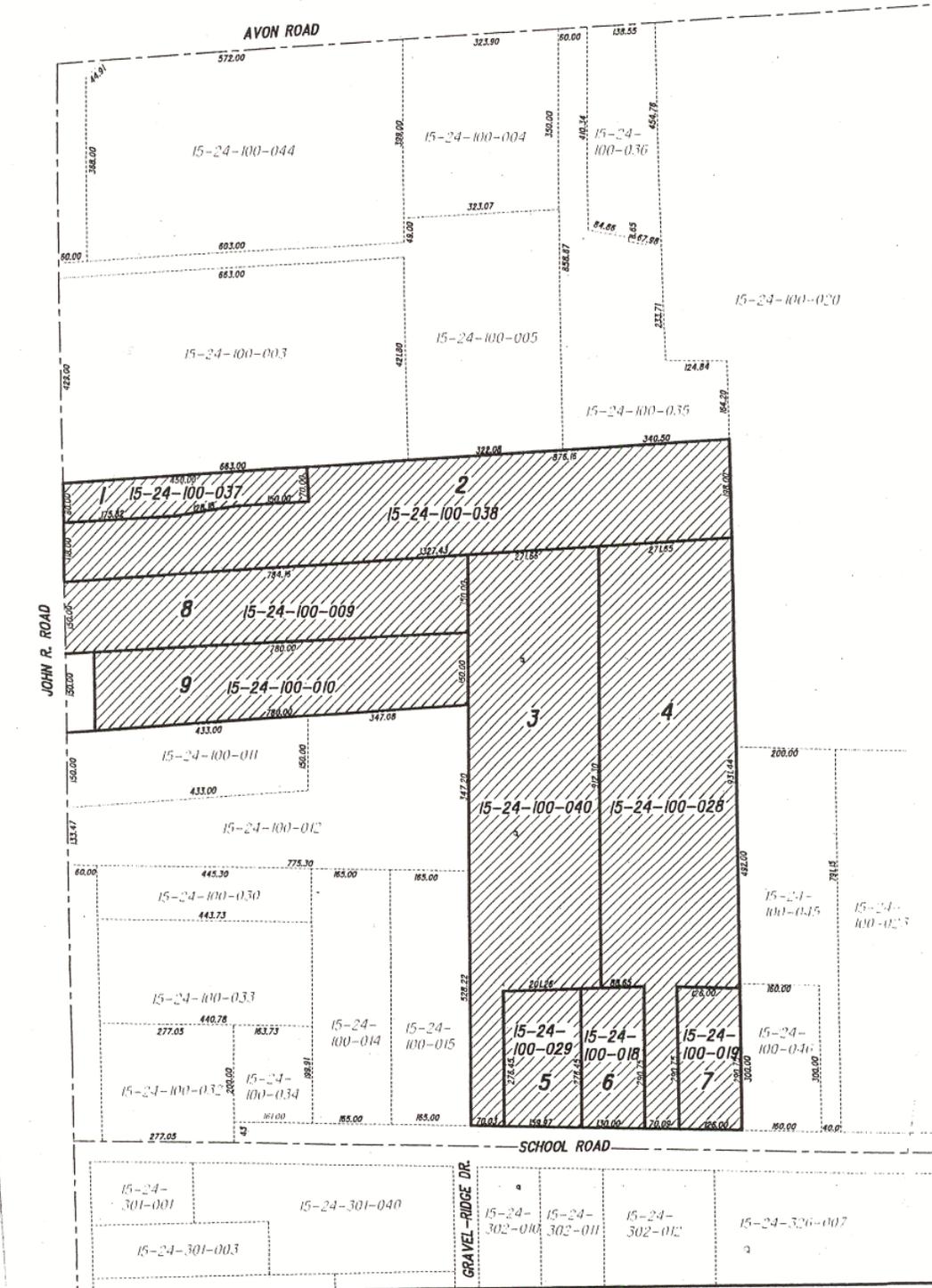
3

"RESIDENTIAL DEVELOPMENT LOCATION MAP"



SITE LEGEND

1.	70-15-24-100-037	0.73 ACRES
2.	70-15-24-100-038	5.16 ACRES
3.	70-15-24-100-040	6.02 ACRES
4.	70-15-24-100-028	6.21 ACRES
5.	70-15-24-100-029	0.86 ACRES
6.	70-15-24-100-018	0.72 ACRES
7.	70-15-24-100-019	0.72 ACRES
8.	70-15-24-100-009	2.69 ACRES
9.	70-15-24-100-010	2.48 ACRES
TOTAL		25.59 ACRES



4

Application to Rezone

Notarized Letter from Property Owners

Proof of Ownership or Interest in Property

This section contains the information listed above for the additional two parcels. All of the owners have signed an application for rezoning and a notarized letter from each owner authorizing the rezoning. There are no deed restrictions on any of the properties other than the typical utility easements and we have included a copy of the signed purchase agreement for the additional parcels listed below.

- | | | | |
|----|-----------------------------|------------------|------------|
| 1. | Philip & Mary Ann Fry | 70-15-24-100-009 | 2.69 acres |
| 2. | Willard & Linda Kaye Borton | 70-15-24-100-010 | 2.48 acres |

1

APPLICATION TO REZONE

City of Rochester Hills

Applicant METROPOLITAN PROPERTY MANAGEMENT, INC.

Address 42850 SCHOENHERR RD., STERLING HEIGHTS, MI 48313
(Street) (City) (State) (Zip)

Telephone (586) 566-8100 Fax (586) 566-0210

Applicant's Interest in Property OPTION/OFFER TO PURCHASE

Property Owner(s) PHILIP FRY & MARY ANN FRY

Address 1201 JOHN R RD., ROCHESTER HILLS, MI 48307
(Street) (City) (State) (Zip)

PROPERTY CHARACTERISTICS:

Platted Lot Lot No. _____ Subdivision _____

Acreage Parcel Parcel Identification No. 70-15-24-100-009

Location EAST SIDE OF JOHN R RD., NORTH OF SCHOOL RD.

Property Dimensions: Width at Road Frontage 150 Depth 784.16

Total Area: Number of acres +/- 2.69 Present use SINGLE FAMILY

CHANGE OF ZONING:

R-3 Current Zoning RM-1 Proposed Zoning

If rezoned, the property will be used for CONDOMINIUM DEVELOPMENT

CHECK LIST:

These items must be provided to process this application:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Location Map | <input checked="" type="checkbox"/> Environmental Impact Statement |
| <input checked="" type="checkbox"/> Deed restriction or Certification that none exist | <input checked="" type="checkbox"/> Proof of Ownership or Interest in Property |
| <input checked="" type="checkbox"/> Statement indicating why change is requested | <input checked="" type="checkbox"/> Notarized letter from property owner indicating no objection |
| <input checked="" type="checkbox"/> Letter of Intent | <input checked="" type="checkbox"/> Filing Fee |

I hereby authorize the employees and representatives of the City of Rochester Hills to enter and conduct an investigation of the above referenced property.

3-31-05 [Signature]
(Date) (Signature of Property Owner)

I certify that all of the above statements and those contained in the documents submitted are true and correct.

3/31-05 [Signature]
(Date) (Signature of Applicant)

For Official Use Only: File No. _____ Escrow No. _____ Date: _____

AGREEMENT OF PURCHASE AND SALE

Metropolitan Property Management, Inc., a Michigan Corporation, for an entity to be designated hereinafter referred to as "Purchaser", whose address is 42850 Schoenherr Road, Sterling Heights, Michigan, 48313, hereby offers to purchase from Philip H. Fry, Jr. as Trustee of the Philip H. Fry, Jr. Revocable Living Trust dated June 10, 1999 and Mary Ann Fry as Trustee of the Mary Ann Fry Revocable Living Trust dated June 10, 1999 whose address is 1201 John R Rd., Rochester Hills, Michigan, 48307 hereinafter referred to as "Seller", on the terms and conditions hereinafter set forth, that certain real property and all improvements, situated in the City of Rochester Hills, County of Oakland, State of Michigan, (hereinafter referred to as "the Property"): identified as parcel number 70-15-24-100-009 and consisting of +/- 2.69 acres, subject only to existing recorded building and use restrictions and easements of record, and zoning ordinances, upon the following terms and conditions.

TERMS AND CONDITIONS OF SALE

1.01 SUBJECT MATTER OF SALE

Seller agrees to sell to Purchaser all right, title and interest of Seller in and to the Property and all improvements described and made a part hereof, together with all hereditaments, appurtenances, privileges and rights of Seller.

1.03 TERMS AND CONDITIONS OF PURCHASE AND SALE

A. If this Agreement of Purchase and Sale is not previously terminated by Purchaser as set forth in Par. 1.05 herein, then Purchaser shall pay to Seller the purchase price in cash or certified check at closing.

B. Seller shall execute to the Purchaser a Warranty Deed conveying to Purchaser unencumbered fee simple marketable title of the subject property.

C. Seller shall deliver and Purchaser shall accept possession of the subject property at the time of Closing subject to no tenant's rights.

D. Seller shall deliver to Purchaser an executed discharge of mortgage, claim of interest and/or land contract from any entity or person holding an interest in the property.

1.04 ACCESS TO PROPERTY

From and after Seller's acceptance of this Agreement of Purchase and Sale, Purchaser and its servants, agents, employees, licensees, contractors, and designees shall have the right to, but not the obligation to enter upon the premises for the purpose of inspecting the same, and to make studies and tests and conduct test borings and other surface and subsurface soil and environmental tests. Such entry upon the premises shall be at the Purchaser's, its designees, servants, agents, employees, sole risk and expense. Any studies, tests or examination of said property is to occur only after notice is given to Seller. Purchaser shall indemnify and hold seller harmless for any and all liability arising from the purchaser's entry upon the property as contemplated hereunder. Purchaser agrees to return the property to its current condition if closing does not occur.

2.01 TITLE COMMITMENT AND SURVEY

Within fifteen (15) days from date of acceptance of this Agreement of Purchase and Sale by Seller, Seller shall furnish, at its sole expense, to Purchaser a Commitment from the Philip F. Greco Title Company in an amount not less than the Purchase Price, bearing date later than acceptance, for an ALTA Owner's Policy, which shall guarantee title in the condition as required for performance of this Agreement. The Purchaser shall engage at their own expense a certified land surveyor or licensed civil engineer to prepare a certified survey. The Philip F. Greco Title Company shall attach to such Title Commitment copies of all building, use restrictions, easements, right-of-ways and other documents of record, and shall agree to delete all standard exceptions from the final policy.

If (i) objection to title or the survey is made, based upon written opinion of Purchaser's attorney, that title or the survey are not in the condition required for performance hereunder, or (ii) if any information contained within any document, whether recorded or unrecorded, with respect to this property, including building and use restrictions, deeds, easements, or other documents would prohibit, impede or restrict the intended development of the property, Seller shall have thirty (30) days from the date they are notified in writing of any particular defect or objection claimed to remedy the title or the condition required by Purchaser (provided such defect or objection is capable of being remedied by Seller). The objection of Purchaser's attorney to the foregoing shall be made known in writing to Seller within thirty (30) days from the date of the last of the documents delivered including each Title Commitment, survey, and building, use restrictions and easements, etc. as specified hereinbefore to be furnished by Seller.

2.02 TITLE INSURANCE

The Title Commitment which is to be provided to Purchaser by Seller shall be updated by Seller at closing and shall disclose no change in the state of the title, other than as may be allowed by this Agreement. Seller shall pay Greco for the Title Insurance Policy at time of closing and cause delivery of such policy to Purchaser upon issuance. Seller is not responsible for any other Greco administrative fees for processing closing documents or attending closing. If Purchaser fails to timely object to any matter contained in a Commitment, Survey, or document and documents, as the case may be, they shall be deemed to be acceptable to Purchaser. Purchaser may, however, raise objection to any new matter contained or disclosed in any updated or revised Commitment, Survey, or document and the same time periods shall apply to both Purchaser and Seller with respect to such new matter as set forth before in this Section 2.01. Provided, however, the Purchaser cannot object to any new matter of record which was caused by the actions of the Purchaser.

2.03 DOCUMENTS AND APPROVAL PRIOR TO CLOSING

From and after Seller's acceptance of this Agreement of Purchase and sale, Seller shall grant permission, support and join with Purchaser in its applications and petitions to attain final site plan approval for and/or any rezoning to permit a residential condominium or a single family site plan. All of such documents, including legal descriptions, shall be prepared and provided to Seller at the sole cost and expense of Purchaser, and shall be promptly executed by Seller. In the event that Seller fails to execute any document as required herein within ten (10) days of receipt of such document by Seller, then all time periods and the term of this Agreement of Purchase and Sale shall be extended until such document(s) is or are so executed and delivered to Seller. Notwithstanding, anything contained herein, Purchase may not irrevocably affect the property until after closing.

3.01 CONDITIONS PRECEDENT TO CLOSING

It is specifically understood and agreed by and between the parties hereto that a Closing of this sale is expressly conditioned upon each of the following conditions being satisfied, unless waived in writing by Purchaser:

- A. That title to the subject property is in the condition as required hereunder in Par. 2.01.
- B. That at time of Closing all covenants of Seller hereinafter provided herein are true and have not been breached.

Notwithstanding the foregoing, Purchaser may waive any and all of the conditions precedent in writing and close this transaction any time, but closing cannot take place earlier than 180 days from the signing date of this agreement.

3.02 FAILURE OF ANY CONDITION PRECEDENT

In the event that any of the conditions precedent as set forth in Paragraph 3.01 have not been satisfied, then Purchaser shall have the right to terminate this Agreement of Purchase and Sale upon written notice to the Seller, in which case this Agreement shall be null and void and held for naught, and the deposit shall be immediately refunded to Purchaser. Nothing contained herein, however, shall prevent Purchaser from waiving in writing any such condition and to close this transaction as provided herein.

4.01 REPRESENTATIONS AND COVENANTS OF SELLER

From the date of acceptance of this Agreement of Purchase and Sale and surviving the closing, Seller represents, warrants, covenants and agrees to:

- A. Maintain the property, in its present order and condition and will not alter, amend or modify any of the terms, covenants, or provisions of any restriction or easement affecting the property.
- B. Not to enter into any easement or license agreements or leases permitting others to use, occupy or lease the property or any portion thereof and seller represents that there are no such leases and that no party is in possession of such premises either under written or oral agreement or lease other than Seller. This condition shall not prevent Seller from executing a currently pending agreement granting the Oakland County Drain Commission a permanent easement and temporary easement as described on exhibit 1 attached hereto.
- C. Not give permission to any person to use the property or any portion thereof for dumping or storage.
- D. Seller has not contracted with a real estate broker for which a brokerage commission or real estate commission may be due as a result of this transaction or entered into any other agreements for the sale of the subject property.
- E. Seller represents that they shall not further encumber or mortgage the property during the term of Agreement and Seller further represents that any existing mortgage or land contract will be cleared by Closing.
- F. Seller represents that there are no tenants or tenants' rights affecting the property.
- G. Seller represents to the best of their knowledge and belief that the property is free of, and does not contain any pollution, contamination, or other environmental hazards, toxic or hazardous materials.
- H. Seller is not a "foreign person" within the meaning of Internal Revenue Code Section 1445.
- I. Seller represent that, to the best of its knowledge, there are no judicial or administrative proceedings pending or threatened against the subject property or Seller relating to the subject property and Seller is not aware of any facts which might result in any action, suit or other proceeding relating to the subject property. Purchaser acknowledges and agrees that, except for the representations and covenants of Seller in Section 4.01, if Purchaser chooses to close the property will be conveyed in its as is, where is and with all faults condition.

4.02 APPLICABLE LAW

This Agreement shall be controlled, construed and enforced in accordance with the laws of the State of Michigan. If more than one person or entity joins in the execution hereof as Seller or Purchaser, or if a party be an entity, including a corporation or partnership, or if only one person or entity joins in as Seller or Purchaser, then the words herein shall be read and construed as if written in the singular, plural or neuter, respectively, as the case may be.

4.03 NOTICES

Any notices contemplated or promised to be given hereunder shall be deemed duly given when delivered by registered or certified mail, postage prepaid and return receipt requested to the above addresses or such other address as the respective addresses may, from time to time, hereafter specify by notice given to the other party as aforesaid.

4.04 SUCCESSORS AND ASSIGNS

The rights and liabilities of the present parties shall bind and inure to the benefit of their respective heirs, administrators, executors, trustees, successors and assigns.

4.05 ENTIRE AGREEMENT

This Agreement, including the Exhibits hereto, constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection therewith.

4.06 COUNTERPARTS

This Offer to Purchase may be executed in one or more counterparts, and such counterparts as have been executed by both parties hereto shall each be deemed to be an original instrument.

4.07 CATCHLINE HEADINGS

The catchline headings herein are for convenience only and shall not affect the meaning or interpretation of this Agreement.

5.01 APPORTIONMENT OF TAXES; ADDITIONAL PRORATION

Any assessments, special assessment, or capital charges, except for school, township, city, county and general taxes, which have become a lien upon the land prior to the date of closing, shall be paid by Seller. School, township, city, county and general taxes which have become a lien and are due and payable on or before the closing date shall be paid by the seller. Current school, township, county, city and general taxes shall be prorated and adjusted as of the date of Closing on a due-date basis. Any assessments, special assessments or capital charges which have become a lien upon the land after the date of Closing shall be paid by Purchaser. For purposes of this Agreement, all real property taxes are to be considered paid in advance.

6.01 SELLER'S DEFAULT

Should Seller default in the performance of any obligation or requirements herein contained or in the sale of the property under this Offer to Purchase, Purchaser may enforce by specific performance this Offer to Purchase by an appropriate judicial proceeding or may require return of its Deposit and may terminate this Agreement as its sole an exclusive remedy.

6.02 PURCHASER'S DEFAULT

In the event Purchaser shall default in the performance under this Agreement, Seller's sole, complete and only remedy shall be to retain all monies including the deposit heretofore paid by Purchaser as liquidated damages, in which event this Offer to Purchase shall be null and void and all parties shall be fully released and discharged from further obligations hereunder.

7.01 CLOSING

Closing shall take place at a mutually convenient time, upon fifteen (15) days prior written notice of Purchaser to Seller, no later than sixty (60) days after the expiration of the Right of Termination Period (see Par. 1.05), at the Philip F. Greco Title Company, 118 Cass Ave, Mt, Clemens, MI., unless this Agreement of Purchase and Sale is earlier terminated by Purchaser as provided in Par. 1.05.

8.01 TIME OF ACCEPTANCE

It is understood that Purchaser's offer to enter into the Agreement of Purchase and Sale is valid for five (5) days from the date of this offer and if not accepted by Seller within such period of time shall be null and void and withdrawn.

8.02 REAL ESTATE COMMISSION

Seller shall indemnify, defend and save Purchaser harmless from any real estate brokerage commissions due to Seller's activities. Purchaser shall indemnify, defend and save Seller harmless from any Purchaser Sales Agent commissions.

9.01 CONFIDENTIALITY

The terms and conditions of this Agreement (but not the existence of this Agreement) are confidential and may not be communicated or disclosed by either Seller or Purchaser, except to their respective officers, directors, members, employees, agents, attorneys, accountants, representatives and/or contractors, who have an actual need to know such terms and conditions for the purposes contemplated herein.

In WITNESS WHEREOF, the parties have made and accepted this Offer to Purchase on the date set opposite their name.

IN THE PRESENCE OF:

Heather Dewitt
Deanne M. Martin

Offer made: 3-31-05

Heather Dewitt
Deanne M. Martin

Offer Accepted: 3-31-05

PURCHASER:
METROPOLITAN PROPERTY MANAGEMENT, INC.
a Michigan Corporation

Gregory Cueter
Gregory Cueter

SELLER:

Philip H. Fry, Jr.
Philip Fry (Trustee of the Philip H. Fry, Jr. Revocable Living Trust)
Mary Ann Fry
Mary Ann Fry (Trustee of the Mary Ann Fry Revocable Living Trust)

2

APPLICATION TO REZONE

City of Rochester Hills

Applicant METROPOLITAN PROPERTY MANAGEMENT, INC.

Address 42850 SCHOENHERR RD., STERLING HEIGHTS, MI 48313
(Street) (City) (State) (Zip)

Telephone (586) 566-8100 Fax (586) 566-0210

Applicant's Interest in Property OPTION/OFFER TO PURCHASE

Property Owner(s) WILLARD BORTON & LINDA KAYE BORTON

Address 1227 JOHN R RD., ROCHESTER HILLS, MI 48307
(Street) (City) (State) (Zip)

PROPERTY CHARACTERISTICS:

Platted Lot Lot No. _____ Subdivision _____

Acreage Parcel Parcel Identification No. 70-15-24-100-010

Location EAST SIE OF JOHN R RD., SOUTH OF AVON RD.

Property Dimensions: Width at Road Frontage 150 Depth 780.08

Total Area: Number of acres +/- 2.48 Present use SINGLE FAMILY

CHANGE OF ZONING:

R-3 Current Zoning RM-1 Proposed Zoning

If rezoned, the property will be used for CONDOMINIUM DEVELOPMENT

CHECK LIST:

These items must be provided to process this application:

- Location Map
- Environmental Impact Statement
- Deed restriction or Certification that none exist
- Proof of Ownership or Interest in Property
- Statement indicating why change is requested
- Notarized letter from property owner indicating no objection
- Letter of Intent
- Filing Fee

I hereby authorize the employees and representatives of the City of Rochester Hills to enter and conduct an investigation of the above referenced property.

4/1/05 Linda K. Borton Willard E. Borton
(Date) (Signature of Property Owner)

I certify that all of the above statements and those contained in the documents submitted are true and correct.

4/1/05 (Date) [Signature] (Signature of Applicant)

For Official Use Only:
File No. _____
Escrow No. _____
Date: _____

AGREEMENT OF PURCHASE AND SALE

Metropolitan Property Management, Inc., a Michigan Corporation, for an entity to be designated hereinafter referred to as "Purchaser", whose address is 42850 Schoenherr Road, Sterling Heights, Michigan, 48313, hereby offers to purchase from Willard Borton and Linda Kaye Borton whose address is 1227 John R Rd., Rochester Hills, Michigan, 48307 hereinafter referred to as "Seller", on the terms and conditions hereinafter set forth, that certain real property and all improvements, situated in the City of Rochester Hills, County of Oakland, State of Michigan, (hereinafter referred to as "the Property"): identified as parcel number 70-15-24-100-010 and consisting of +/- 2.48 acres, subject only to existing recorded building and use restrictions and easements of record, and zoning ordinances, upon the following terms and conditions.

TERMS AND CONDITIONS OF SALE

This agreement sets forth the terms and conditions upon which the Purchaser agrees to purchase the property from Seller.

1.01 SUBJECT MATTER OF SALE

Seller agrees to sell to Purchaser all right, title and interest of Seller in and to the Property and all improvements described and made a part hereof, together with all easements, rights, hereditaments, appurtenances, privileges and rights of Seller.

1.03 TERMS AND CONDITIONS OF PURCHASE AND SALE

A. If this Agreement of Purchase and Sale is not previously terminated by Purchaser as set forth in Par. 1.05 herein, then Purchaser shall pay to Seller the purchase price in cash or certified check at closing.

B. Seller shall execute to the Purchaser a Warranty Deed conveying to Purchaser unencumbered fee simple marketable title of the subject property.

C. Seller shall deliver and Purchaser shall accept possession of the subject property at the time of Closing subject to no tenant's rights.

D. Seller shall deliver to Purchaser an executed discharge of mortgage, claim of interest and/or land contract from any entity or person holding an interest in the property.

1.04 ACCESS TO PROPERTY

From and after Seller's acceptance of this Agreement of Purchase and Sale, Purchaser and its servants, agents, employees, licensees, contractors, and designees shall have the right to, but not the obligation to enter upon the premises for the purpose of inspecting the same, and to make studies and tests and conduct test borings and other surface and subsurface soil and environmental tests. Such entry upon the premises shall be at the Purchaser's, its designees, servants, agents, employees, sole risk and expense. Any studies, tests or examination of said property is to occur only after notice is given to Seller. Purchaser shall indemnify and hold seller harmless from any and all damage, loss, or injury, including, without limitation, costs and expenses of investigating, defending, and settling or litigating any claim, including attorneys' fees, arising out of the presence of such persons on the property prior to the date of closing. Purchaser agrees to return the property to its current condition if closing does not occur.

2.01 TITLE COMMITMENT AND SURVEY

Within fifteen (15) days from date of acceptance of this Agreement of Purchase and Sale by Seller, Seller shall furnish, at its sole expense, to Purchaser a Commitment from the Philip F. Greco Title Company in an amount not less than the Purchase Price, bearing date later than acceptance, for an ALTA Owner's Policy, which shall guarantee title in the condition as required for performance of this Agreement. The Purchaser shall engage at their own expense a certified land surveyor or licensed civil engineer to prepare a certified survey. The Philip F. Greco Title Company shall attach to such Title Commitment copies of all building, use restrictions, easements, right-of-ways and other documents of record, and shall agree to delete all standard exceptions from the final policy.

If (i) objection to title or the survey is made, based upon written opinion of Purchaser's attorney, that title or the survey are not in the condition required for performance hereunder, or (ii) if any information contained within any document, whether recorded or unrecorded, with respect to this property, including building and use restrictions, deeds, easements, or other documents would prohibit, impede or restrict the intended development of the property, Seller shall have thirty (30) days from the date they are notified in writing of any particular defect or objection claimed to remedy the title or the condition required by Purchaser (provided such defect or objection is capable of being remedied by Seller). The objection of Purchaser's attorney to the foregoing shall be made known in writing to Seller within thirty (30) days from the date of the last of the documents delivered including each Title Commitment, survey, and building, use restrictions and easements, etc. as specified hereinbefore to be furnished by Seller.

2.02 TITLE INSURANCE

The Title Commitment which is to be provided to Purchaser by Seller shall be updated by Seller at closing and shall disclose no change in the state of the title, other than as may be allowed by this Agreement. Seller shall pay Greco for the Title Insurance Policy at time of closing and cause delivery of such policy to Purchaser upon issuance. Seller is not responsible for any other Greco administrative fees for processing closing documents or attending closing. If Purchaser fails to object to any matter contained in a Commitment, Survey, or document and documents, as the case may be, they shall be deemed to be acceptable to Purchaser. Purchaser may, however, raise objection to any new matter contained or disclosed in any updated or revised Commitment, Survey, or document and the same time periods shall apply to both Purchaser and Seller with respect to such matter as set forth before in this Section 2.01. Provided, however, the Purchaser cannot object to any new matter of record which was caused by the actions of the Purchaser.

2.03 DOCUMENTS AND APPROVAL PRIOR TO CLOSING

From and after Seller's acceptance of this Agreement of Purchase and sale, Seller shall grant permission, support and join with Purchaser in its applications and petitions to attain final site plan approval for and/or any rezoning to permit a residential condominium or a single family site plan. All of such documents, including legal descriptions, shall be prepared and provided to Seller at the sole cost and expense of Purchaser, and shall be promptly executed by Seller. In the event that Seller fails to execute any document as required herein within ten (10) days of receipt of such document by Seller, then all time periods and the term of this Agreement of Purchase and Sale shall be extended until such document(s) is or are so executed and delivered to Seller. Notwithstanding, anything contained herein, Purchase may not irrevocably affect the property until after closing.

3.01 CONDITIONS PRECEDENT TO CLOSING

It is specifically understood and agreed by and between the parties hereto that a Closing of this sale is expressly conditioned upon each of the following conditions being satisfied, unless waived in writing by Purchaser:

- A. That title to the subject property is in the condition as required hereunder in Par. 2.01.
- B. That at time of Closing all covenants of Seller hereinafter provided herein are true and have not been breached.

Notwithstanding the foregoing, Purchaser may waive any and all of the conditions precedent in writing and close this transaction any time.

3.02 FAILURE OF ANY CONDITION PRECEDENT

In the event that any of the conditions precedent as set forth in Paragraph 3.01 have not been satisfied, then Purchaser shall have the right to terminate this Agreement of Purchase and Sale upon written notice to the Seller, in which case this Agreement shall be null and void and held for naught, and the deposit shall be immediately refunded to Purchaser. Nothing contained herein, however, shall prevent Purchaser from waiving in writing any such condition and to close this transaction as provided herein.

4.01 REPRESENTATIONS AND COVENANTS OF SELLER

From the date of acceptance of this Agreement of Purchase and Sale and surviving the closing, Seller represents, warrants, covenants and agrees to:

- A. Maintain the property, in its present order and condition and will not alter, amend or modify any of the terms, covenants, or provisions of any restriction or easement affecting the property.
- B. Not to enter into any easement or license agreements or leases permitting others to use, occupy or lease the property or any portion thereof and seller represents that there are no such leases and that no party is in possession of such premises either under written or oral agreement or lease other than Seller.
- C. Not give permission to any person to use the property or any portion thereof for dumping or storage.
- D. Seller has not contracted with a real estate broker for which a brokerage commission or real estate commission may be due as a result of this transaction or entered into any other agreements for the sale of the subject property.
- E. Seller represents that they shall not further encumber or mortgage the property during the term of Agreement and Seller further represents that any existing mortgage or land contract will be cleared by Closing.
- F. Seller represents that there are no tenants or tenants' rights affecting the property.
- G. Seller represents to the best of their knowledge and belief that the property is free of, and does not contain any pollution, contamination, or other environmental hazards, toxic or hazardous materials.
- H. Seller is not a "foreign person" within the meaning of Internal Revenue Code Section 1445.
- I. Seller represent that, to the best of its knowledge, there are no judicial or administrative proceedings pending or threatened against the subject property or Seller relating to the subject property and Seller is not aware of any facts which might result in any action, suit or other proceeding relating to the subject property.

4.02 APPLICABLE LAW

This Agreement shall be controlled, construed and enforced in accordance with the laws of the State of Michigan. If more than one person or entity joins in the execution hereof as Seller or Purchaser, or if a party be an entity, including a corporation or partnership, or if only one person or entity joins in as Seller or Purchaser, then the words herein shall be read and construed as if written in the singular, plural or neuter, respectively, as the case may be.

4.03 NOTICES

Any notices contemplated or promised to be given hereunder shall be deemed duly given when delivered by registered or certified mail, postage prepaid and return receipt requested to the above addresses or such other address as the respective addresses may, from time to time, hereafter specify by notice given to the other party as aforesaid.

4.04 SUCCESSORS AND ASSIGNS

The rights and liabilities of the present parties shall bind and inure to the benefit of their respective heirs, administrators, executors, trustees, successors and assigns.

4.05 ENTIRE AGREEMENT

This Agreement, including the Exhibits hereto, constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection therewith.

4.06 COUNTERPARTS

This Offer to Purchase may be executed in one or more counterparts, and such counterparts as have been executed by both parties hereto shall each be deemed to be an original instrument.

4.07 CATCHLINE HEADINGS

The catchline headings herein are for convenience only and shall not affect the meaning or interpretation of this Agreement.

5.01 APPORTIONMENT OF TAXES; ADDITIONAL PRORATION

Any assessments, special assessment, or capital charges, except for school, township, city, county and general taxes, which have become a lien upon the land prior to the date of closing, shall be paid by Seller. School, township, city, county and general taxes which have become a lien and are due and payable on or before the closing date shall be paid by the seller. Current school, township, county, city and general taxes shall be prorated and adjusted as of the date of Closing on a due-date basis. Any assessments, special assessments or capital charges which have become a lien upon the land after the date of Closing shall be paid by Purchaser. For purposes of this Agreement, all real property taxes are to be considered paid in advance.

6.01 SELLER'S DEFAULT

Should Seller default in the performance of any obligation or requirements herein contained or in the sale of the property under this Offer to Purchase, Purchaser may enforce by specific performance this Offer to Purchase by an appropriate judicial proceeding or may require return of its Deposit and may terminate this Agreement.

6.02 PURCHASER'S DEFAULT

In the event Purchaser shall default in the performance under this Agreement, Seller's sole, complete and only remedy shall be to retain all monies including the deposit heretofore paid by Purchaser as liquidated damages, in which event this Offer to Purchase shall be null and void and all parties shall be fully released and discharged from further obligations hereunder.

7.02 DEPOSIT AMOUNT AND APPLICATION

Purchaser shall, within ten (10) days of Seller's acceptance, deliver to the Philip F. Greco Title Company, 118 Cass Avenue, Mount Clemens, Michigan, a deposit check of Five Thousand and 00/100 (\$5,000.00) Dollars (The "Deposit"), to be held in accordance with this Agreement of Purchase and Sale, applied on the purchase price on the closing date as hereinbefore provided or returned to Purchaser, as the case may be. Any interest earned on such deposit funds shall be credited to the party that received the deposit.

8.01 TIME OF ACCEPTANCE

It is understood that Purchaser's offer to enter into the Agreement of Purchase and Sale is valid for five (5) days from the date of this offer and if not accepted by Seller within such period of time shall be null and void and withdrawn.

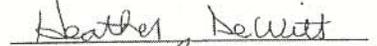
8.02 REAL ESTATE COMMISSION

The Seller and the Purchaser represent and warrant to each other that no real estate broker or any other person or entity has been involved in or is entitled to any commission or monetary award, whatsoever, as a result of the sale and purchase of the property contemplated by this Agreement.

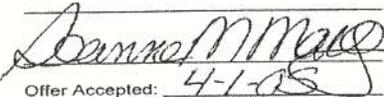
In WITNESS WHEREOF, the parties have made and accepted this Offer to Purchase on the date set opposite their name.

IN THE PRESENCE OF:



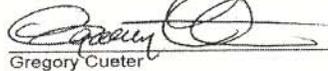


Offer made: April 1, 2005



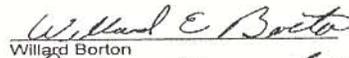
Offer Accepted: 4-1-05

PURCHASER:
METROPOLITAN PROPERTY MANAGEMENT, INC.
a Michigan Corporation



Gregory Cueter

SELLER:



Willard Borton



Linda Kaye Borton