

JENSAM, LLC
2301 West Big Beaver Road, Suite 900
Troy, Michigan 48084

October 3, 2004

Mayor Pat Somerville
City of Rochester Hills
1000 Rochester Hills Drive
Rochester Hills, Michigan 48309

Re: Lot 150 Butler Ridge No. 2 Subdivision, Rochester Hills, Michigan

Dear Mayor Somerville:

Enclosed please find a Right-of-Way Deed and a Claim of Interest with respect to Lot 150 of Butler Ridge No. 2 Subdivision, Rochester Hills, Michigan ("Lot 150"). It is our understanding that the City of Rochester Hills has been engaged in discussions with the City of Auburn Hills as to whether Auburn Hills will improve that portion of Butler Road within its city limits to connect Butler Road as a thoroughfare between the two cities. It is our understanding that in the event that the cities reach agreement on the improvement of Butler Road as a through road, and both cities pave Butler Road, then there will be no need for a cul-de-sac on Butler Road at the western edge of Butler Ridge No. 2 Subdivision. However, regardless of whether Auburn Hills improves Butler Road, in the event Rochester Hills does not improve Butler Road, then Rochester Hills will retain the existing cul-de-sac on Butler Road at the western edge of Butler Ridge No. 2 Subdivision. In such event, Rochester Hills has advised that right-of-way is required for the cul-de-sac, which right-of-way must be taken from Lot 150 ("Property"). In order for the City to approve the plat of Butler Ridge No. 2 Subdivision, you have requested that we execute and deliver the enclosed Right-of-Way Deed for the Property ("Deed") to you to hold in escrow pending the decisions by Auburn Hills and Rochester Hills on Butler Road. The enclosed Deed grants this additional right-of-way to Rochester Hills.

The enclosed Deed is delivered to you to hold in escrow as follows: If Auburn Hills and Rochester Hills improve their respective portions of Butler Road as a through road between Auburn Hills and Rochester Hills within three (3) years from the date of this letter, then the enclosed Deed will not be required by Rochester Hills, and will be returned unrecorded to Jensam, LLC. In the event Rochester Hills does not improve Butler Road as a through road between Auburn Hills and Rochester Hills within such three (3) year period, and Rochester Hills retains the cul-de-sac adjacent to Lot 150, then Rochester Hills may accept the Deed and record it with the Oakland County Register of Deeds, otherwise Rochester Hills shall return the Deed to Jensam, LLC unrecorded within such three (3) year period, and the undersigned shall have no further obligations to Rochester Hills with respect to the cul-de-sac. In the event that Rochester

Hills has recorded the Deed and Rochester Hills subsequently improves Butler Road so that it is no longer using that portion of the cul-de-sac on the Property, then Rochester Hills will abandon and vacate the Property. In the event Rochester Hills returns the Deed to Jensam, LLC, or records the Deed but later abandons and vacates the Property, then Jensam, LLC or the owner of the Property shall have the right to remove the cul-de-sac and restore the Property if Rochester Hills does not do so, and the parties acknowledge that Rochester Hills shall have no obligation to do so.

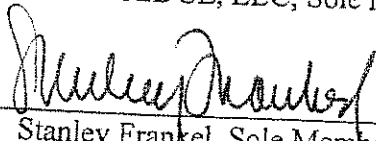
The parties further agree that Rochester Hills will execute and record the enclosed Claim of Interest against Lot 150 to evidence of record the City's interest in Lot 150 resulting from the terms of this letter agreement. In the event Rochester Hills records the Deed as provided herein, then Rochester Hills shall simultaneously execute and records a release of the Claim of Interest.

If the City of Rochester Hills is in agreement with the terms and conditions as set forth in this letter agreement, please countersign this letter where indicated below and hold the enclosed Deed in escrow pursuant to the terms and conditions of this letter agreement.

Very truly yours,


JENSAM, LLC,

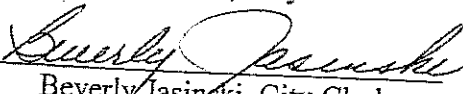
By: BUTLER RIDGE, LLC, Sole Member

By: 
Stanley Frankel, Sole Member

The undersigned agrees with and accepts the terms and conditions of the foregoing letter agreement.

CITY OF ROCHESTER HILLS

By: 
Pat Somerville, Mayor

By: 
Beverly Jasinski, City Clerk